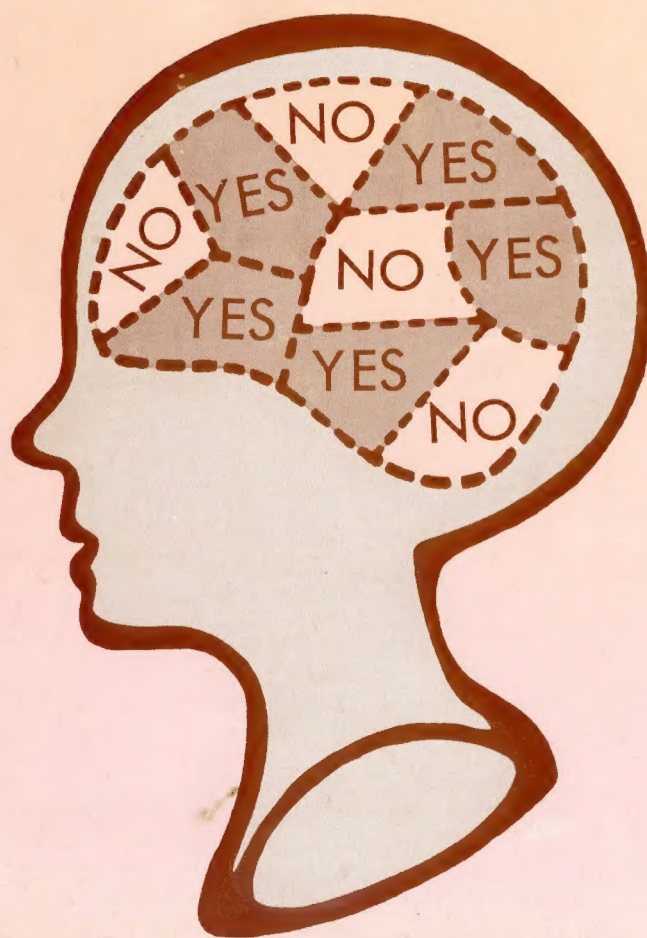


# CARIBBEAN LABOUR JOURNAL

SEPTEMBER 1991

VOL. 1, NO. 1



The Journal of human relations and  
labour management issues from a  
Caribbean perspective

JAMAICA \$44  
CARIBBEAN/OVERSEAS

12191.1  
THIRD WORLD  
12 00





## FOREIGN CURRENCY ACCOUNTS INFORMATION

TELL YOUR FRIENDS AND RELATIVES  
IN THE UNITED STATES OR CANADA.

CALL TOLL FREE

**Century National Bank**  
**1-800-637-0230**

FROM ANYWHERE IN THE UNITED STATES OR CANADA

For Information On Your Foreign Currency  
'A' or 'B' Account, As Well As The Other  
Great Financial Services.



**Century National Bank Limited**

Head Office: 14-20 Port Royal Street, Ground Floor, Jamaica Conference Centre, Kingston, Jamaica, W.I.

Phone: (809) 92-23313-6, 92-23105-6, 92-23108, 92-23110, Fax: 92-28276

Branches: New Kingston, Wyndham Hotel Complex, 77 Knutsford Boulevard, Kingston 5, Phone: 92-91520-2, Fax: 92-91523

Cross Roads, Regal Plaza, Kingston 5, Phone: 92-93880-2, 92-93894-6

Ocho Rios, Ocean Village Plaza, Main Street, Phone: 974-5865-6, Fax: 974-5889

Montego Bay, 166B Gloucester Avenue, Phone: 952-9485-9, Fax: 952-9491

Negril, Negril Gardens Hotel, Norman Manley Boulevard, Phone: 957-4001, Fax: 957-4002

Mandeville, Caledonia Mall, 3 1/2 Caledonia Road, Phone: 962-1226-7, 962-1231, Fax: 962-1220

*Reaching Further... Doing More*

Marcus Garvey Resource Library  
Jamaican Canadian Association  
995 Arrow Road  
Toronto, ON M9M 2Z5  
416.746.5772

## CONTENTS

CARIBBEAN LABOUR JOURNAL Vol 1, No. 1, September 1991

### FEATURES

- 4 Labour and Caribbean Integration  
*The prevailing view of the Caribbean must be reexamined and the trade unions must play their proper role in the drive for integration.*  
Norman P. Girvan
- 20 Barriers to Excellence  
*As we strive for excellence various factors specific to Caribbean culture and history may stand in our way.*  
Frances Coke
- 25 The Farm Worker Controversy  
*The Migrant Farm Worker programme to the USA sparks renewed controversy in Jamaica.*  
Labcom Research

### DEPARTMENTS

#### LABOUR MARKET

- 61 Structural adjustment in Guyana: the Human Impact  
*The burden of Guyana's structural adjustment programme has fallen heavily on the poor, the unemployed and those who receive fixed incomes.*  
Gobind Ganga

#### RECRUITMENT & SELECTION

- 47 Cost Effective Hiring  
*Weigh carefully the merits of do-it-yourself recruitment as against using an executive search firm.*  
Noel M. Cowell

#### TRAINING AND DEVELOPMENT

- 15 Foreign Investment and Human Resource Development  
*An enlightened human resource development policy can prove beneficial to both the foreign investor and the host country.*  
Keith Panton

#### COMMUNICATION

- 43 Communication in Business  
*Many managers do not understand the role of communication but it can have a crucial impact on business objectives.*  
Keith Brown

#### COMPENSATION AND BENEFITS

- 54 Housing as a Compensation Item  
*In the past, housing benefits used to be confined to the most senior executives. Today in Jamaica more and more companies are looking at ways to help the employee to acquire this basic necessity of life.*  
Benthan H. Hussey

#### PRODUCTIVITY

- 11 Productivity: Whose Responsibility?  
*The short answer is that it is a collective responsibility which must be based on a collective understanding of the issue of productivity.*  
Ashwell Thomas

#### LABOUR RELATIONS

- 39 The Case for Consultative Management  
*By decentralising the decision-making process managers can give workers a greater sense of belonging and engender a greater commitment to organizational objectives.*  
Clive Dobson



## LEADERS

- 32 Paul Geddes: *The Entrepreneur's Entrepreneur*  
One of the Caribbean's most successful entrepreneurs reveals himself at the age of 81, to be a hands-on; manager who for 60 years has run his vast business empire by putting himself in the workers' shoes.

Ian Boyne

## BOOK REVIEWS

- 68 Well known Jamaican arbitrator, Maurice Stoppi, writes a useful book on the subject of his expertise.

## EDITORIAL

### Caribbean Labour Journal

Serving Professionals in General Management, Personnel Management, Industrial Relations, Public Relations, Labour Law, Human Resource Development and Training.

#### PUBLISHER

LabCom (International) Ltd.

#### EDITOR-IN-CHIEF

Noel M. Cowell

#### EDITOR

Benthan H. Hussey

#### CONSULTING EDITORS

Berl B. Francis

Keith St. G. Brown

#### SUBSCRIPTIONS

Audrey Rapley

#### Editorial Advisory Board

Dr. Janine Comma

Programme Manager

Caribbean Association of Industry  
and Commerce (Barbados)

Dr. Lawrence Nurse

Dep't of Management Studies

University of the West Indies,  
Cave Hill (Barbados)

Dr. Zin Henry

International Labour Consultant  
(Trinidad and Tobago)

Mr. S. G. Kirkaldy

Executive Director

Jamaica Employers' Federation

Hon. Rex Nettleford, O. M

Pro Vice Chancellor, University

of the West Indies and Director  
of Studies, Trade Union Education  
Institute U.W.I. Mona (Jamaica)

Dr Keith Panton

President and CEO

Alcan Jamaica Company

Dr. Phyllis McPherson-Russell C. D.

Human Relations Consultant, Staff Tutor/ Coordinator

Human Relations Development Unit

University of the West Indies, Mona (Jamaica)

The *Journal* is published four times per year.

Persons wishing to copy articles from this publication for personal or educational use may do so. However, articles may not be reprinted or distributed for advertising or promotional purposes other than by the original author.

The publisher encourages submission of original editorial material dealing with issues related to personnel management, industrial relations, public relations, labour law, employee relations, human resource development training and general management. Articles may be sent to:

The Editor

*Caribbean Labour Journal*

LabCom (International) Ltd.

72 Hope Road

Kingston 10

Jamaica W.I.

Telephone: (809) 927 - 5191

## Editorial

### What We Are About !

It is with a great deal of pleasure that we publish this first edition of the *Caribbean Labour Journal*, as a medium for disseminating research and fostering dialogue among professionals within the region. Through this publication we aim to provide managers, trade unionists, human resource practitioners, communication specialists and other interested groups with material which goes to the heart of the labour problems facing the region.

The *Caribbean Labour Journal* is aimed at all individuals who interact with other people in a leadership capacity. The *Journal* sees a special role for communication in the whole process of worker/management relations, both at the micro level and at the level of the wider economy. As such it will not only carry articles on all of the human resource service disciplines but will focus specifically on the linking of intra-company communication with labour relations and related matters. Contributors will be drawn from both inside and outside of educational and research institutions across the region. All contributors will have proven expertise in the field and the capacity to impart useful knowledge about contemporary Caribbean reality.

In summary, the *Journal* is a multi-disciplinary trade journal explicitly created to be used by the practitioner in the field of human resource management.

The over-riding focus will be on the presentation of factual information and useful technical material in a non-technical, non-specialized way. This is necessary because, in addition to human resource management specialists who are grounded in one or more of the disciplines of law, economics, personnel management or industrial relations, the *Journal* will be read by trade unionists, by students, and by people in general management who have little or no training in the human resource disciplines. It will also be read by small entrepreneurs whose businesses do not have personnel departments.

In a number of ways, the *Caribbean Labour Journal* is unique in its mission for the Caribbean. By highlighting and applauding successful programmes, innovative approaches and innovative people, *Caribbean Labour Journal* aims to be a force within the Caribbean for the promotion of productivity, efficiency, a strong work ethic and for the dissemination of positive ideas about work and working life.

Secondly, *Caribbean Labour Journal* will give currency to the ideas of both employee and employer. There is no other medium like this in the Caribbean. One of the spin-offs of this project therefore, must be that by shared information, the parties in the system will better appreciate the respective viewpoints and the implications of their joint placement in

the broader social and economic environment.

Thirdly *Caribbean Labour Journal* will serve as a medium for linking the practitioners of human resource management and kindred disciplines across the Caribbean. Given the commonality of history, politics, law and industrial relations practice within the Caribbean region, there is no doubt that we can benefit from each other's experiences. *Caribbean Labour Journal* will promote dialogue in the human resource field across the Caribbean. It will also provide a framework for marshalling and testing the doctrines of human resource management received from other parts of the world.

Finally the *Caribbean Labour Journal* explicitly aims at promoting dialogue between the practitioners in the field and the researchers and teachers in our institutions of higher learning.

We believe that this edition provides useful and interesting reading. We hope you share our enthusiasm for the venture and that we can count on your support to make *Caribbean Labour Journal* a success. You are invited to send comments on any aspects of the *Journal* as well as suggestions about how we can make it more useful to you. ■



# Labour And Caribbean Integration



By Norman P. Girvan

In March of this year, the West Indian Commission chaired by Sir Shridath Ramphal began its public hearings in Jamaica on the subject of the future of the West Indies. In late February, a Regional Economic Conference was held in Trinidad with representatives of the Governments, the business community, the trade unions and the non-Governmental Organizations to chart an economic strategy for the region into the 21st Century. Earlier in February I was myself involved in the launching of a book on Caribbean Integration and Participatory Development<sup>2</sup>. Not a week passes without reports of a regional meeting of some kind or another. Caribbean Integration is certainly in the air. But when, one wonders, will it ever become firmly rooted on the ground?

Much of the present hectic activity stems from a perception that the world we live in is coalescing into huge economic blocks: the European Community, the North American Free Trade Area, the Pacific Rim. There is a growing sense that if we in the Caribbean do

Norman Girvan is Professor and Director of the Consortium Graduate School of the Social Sciences, University of the West Indies, Mona.

not get our act together we do not stand a chance of survival in a world of economic giants. Foremost among these is the single European market scheduled for the end of 1992, the shadow of which looms large over the region. It would be ironic, would it not, if the Treaty of Rome did more to accelerate Caribbean integration than the Treaty of Chaguaramas!

## Integration Studies

The present interest in integration is not new of course. I well recall the period in the 1960s when I was a member of a group of economists at the University of the West Indies which prepared a set of reports known as the "Integration Studies".

This group included such stellar figures as Clive Thomas and Havelock Brewster, Lloyd Best, Alister McIntyre, Steve DeCastro, and our late beloved George Beckford.

The Integration Studies were a comprehensive analysis of the problems of economic underdevelopment in the region, leading to detailed proposals for functional and structural integration of the economies as a development strategy. They dealt with structural integration of manufacturing and agriculture, complemented by functional collaboration in the region's export industries, such as bauxite and bananas, in the airline industry, and in the marketing of agricultural products within the region. In fact, the Integration Studies were nothing less than a blueprint for the construction of a dynamic, integrated, regional economy—a Caribbean version of Europe 92 outlined some 25 years ago.

All of these things were en-

visaged, and provided for, in the Treaty of Chaguaramas in 1973. Yet today, we cannot point to a single integrated regional industry in manufacturing or agriculture. Not one ounce of Jamaican bauxite or alumina is processed using Trinidad's natural gas or Guyana's hydropower. Bananas from the Windward Islands and from Jamaica are still marketed separately in the U.K. and European markets. The Regional Food Plan seems to be suffering from malnutrition. And BWIA, Air Jamaica and LIAT still fly their separate ways into mounting losses.

Caricom Governments seem to have tremendous difficulties even in implementing those decisions that they have in fact taken at their regular regional summits. The Common External Tariff, the Rules of Origin and the Caricom Enterprise Regime have all been agreed to in principle, but are not yet in effect. Because of the problems here we still do not know when, and even if, the Single Common Market will come into operation.

## Experiments

In reflecting on the possible reasons for this, it is useful to consider the historical dimension. In fact, there is a long tradition of efforts at integration that stretches back for decades and longer. There was the West Indian Federation, which lasted from 1958 to 1962; the Federation of the Leeward Islands, established in 1871 and lasting to 1956. More recently we have had the initiative to establish a political union of the OECS.

Over fifty years ago, in 1939, the Moyne Commissioners found a great deal of sentiment in favour of

what was then called a "Closer Union" of the West Indies territories. Indeed as long ago as 1840, in the immediate aftermath of Emancipation, one Sir William Colebrook outlined a project for the Federation of the British West Indies to the British Secretary of State for the Colonies. Several other proposals were made in the 19th Century by British officials.

The federal idea has a long genealogy, indeed. If it has never quite come to fruition, either politically or in economic form, it is not because of lack of intellectual input; nor for want of technocratic effort; nor even, as it is fashionable to argue, because of a failure of political will.

It would be very instructive to analyse in detail all the proposals and experiments at integration in the West Indies since the nineteenth century, showing the problems they encountered. I believe that almost certainly a recurring problem has been the vexed question of the distribution of power between central authorities and member states, whether in a political or an economic association. Allied to this are the well-known problems of competitive economic structures; the suspicion, prejudice and distrust of outsiders which is associated with insular cultures; and the self-interest of institutional leaders who stand to lose some of their power base when national structures are merged into regional ones.

Yet it is useful to remember that one of the lessons of the history of other countries and regions is that the process of consolidating national states and regional blocks has been long and painful, and marked by frequent reversals. When we think of the accomplishments of Europe 92, let us not forget that twice in this century alone Europe has fought destructive fratricidal wars that left tens of millions dead. It took rivers

of blood to teach the European states that their interests are better served by co-operation with one another than by attempts at domination of one another. America too, fought a bloody civil war before the Union could be consolidated.

If the United States in the 19th Century, and Western Europe in the 20th, were able to overcome their internal divisions it is because there emerged over a period of time powerful social and economic forces impelling these societies towards integration. In the US the manufacturers of the northeast sought to consolidate a modern industrial economy behind protectionist barriers. In Europe today there is a recognition that European firms need a continental space as their base of operations, if they are to compete successfully in an age of global capitalism and Japanese economic might. European integration corresponds to the logic of capital accumulation and to the interests of the dominant economic forces in that region.

## Structural Adjustment

The question is what and where are the powerful economic forces pushing for Caribbean integration? The dominant economic interests in the region are merchants, finance capitalists, hoteliers, exporters of primary commodities. Transnational firms based in the US, Canada, and Europe are present in direct or indirect form almost everywhere. The international financial institutions - led by the IMF, the World Bank, and the IDB, are calling the shots as far as Government policies are concerned.

When you despair at the failure of our Governments to implement Caricom decisions you need to look beyond the immediate problems of the weakness of the Caricom secretariat, or the overload on na-

tional bureaucracies, or the failure of political will. The reality is that when the Ministers and the officials come back home from a Caricom meeting, their immediate concern is with meeting the next IMF performance target; or the upcoming meeting with the banks; or preparing for the next mission from the World Bank, USAID, or CIDA. They spend most of their time and energy responding to the initiatives, and the demands, of the agencies.

And regional integration is not an item on the agenda of these agencies. What is on their agenda is opening up our markets to imports - from the developed countries - and export-oriented adjustment - to the developed countries. And privatization and deregulation of Government intervention in the economy - the code word is "market-oriented reforms".

Regional integration in the economic sphere requires Governments that are willing and able to engage in intervention in strategic areas of the economy to support the development of "integration activities". It requires a partnership between such Governments and private capitalists who see the regional economy as a base of operations and a platform for penetrating export markets.

What we have in the Caribbean are Governments that are increasingly subservient to International Financial Institutions and their conditionalities, and too many capitalists who are mostly preoccupied with buying in the North and selling locally, or who are being pushed to see earning US dollars as an alternative to earning TT dollars or Jamaican dollars.

Indeed Jamaican exporters and importers with the Eastern Caribbean are now being told that they must conduct this trade in US dollars. Coming after the collapse of the Caricom Multilateral Clearing



# GETTING MONEY FROM ANYWHERE IN THE WORLD HAS JUST BECOME EASIER


 **The MoneyGram**  
*is now available from*  
**Jamaica National**  
BUILDING SOCIETY

Jamaica National Building Society is now an official receiving agent of American Express MONEYGRAM service in Jamaica. That means you can now receive money from anywhere in the world through MONEYGRAM here in Jamaica.

It's easy. All the sender has to do is call you, tell you to expect a MONEYGRAM and give you a reference number. Then all you have to do is present that reference number along with suitable identification

to any Jamaica National office and the equivalent amount in Jamaican funds is yours. It's as simple as that.

*P.S. Tell your relatives and friends overseas about MONEYGRAM.*

 **MoneyGram**

 **WE'LL HELP YOU FIND A WAY**  
**Jamaica National**  
BUILDING SOCIETY

17 BRANCHES ISLANDWIDE • NEW KINGSTON • DOWNTOWN KINGSTON • HALF-WAY-TREE • MORANT BAY  
PORT ANTONIO • PORT MARIA • ANNOTTO BAY • OCHO RIOS • ST. ANN'S BAY • BROWN'S TOWN  
MONTEGO BAY • SAVANNA-LA-MAR • SANTA CRUZ • MANDEVILLE • MAY PEN • LINSTEAD • SPANISH TOWN  
Toll Free Numbers in North America • 1-800-MONEYGRAM (U.S.A.) • 1-800-933-3278 (CANADA)

Facility (CMCF), this is already proving to be another blow to intra-regional trade. In that sense it is a distinctly retrograde step. But it is wholly consistent with the structural adjustment programme.

## Pro-Integrationists

There are as far as I can see just two sets of economic agents whose interests lie mainly within the regional economy. One is the manufacturers, more specifically those connected with import substituting industrialization, who use the regional market as an extension of their domestic market. These people have never been the most powerful amongst the region's business sectors, and they have been steadily losing ground as a result of the structural adjustment programmes.

The other set of actors are the informal traders. These are the Jamaicans who trade in Panama and Haiti, the Guyanese who trade in Trinidad and Barbados, the people of the Windward Islands who trade in Martinique, and so on. These people are natural integrationists. With minimum access to finance, they respond to economic opportunities arising out of differences in prices or the availability of goods in geographically adjacent markets. They have been operating largely outside of the ambit of Government recognition or support.

We can only start with what we have. In spite of the relative weakness of the national/regional manufacturers and the informal traders, we have to see them as two key agents in conducting and enlarging the scope of economic transactions within a regional space. What is needed is for Governments to identify a small number of key areas of activity within which these agents will be encouraged, and supported, in their operation.

In my own view, these could be activities with the objective of (i) building greater regional self-sufficiency in food and agricultural products, (ii) deepening the in-

dustrialization process by producing a range of simple intermediate and capital goods which can be produced efficiently within the region, and (iii) enhancing the competitiveness of export industries by technical collaboration and joint research and development.

## Cultural Commonality

But integration is not, nor has it ever been, a matter only of such things as trade, production and investment. The most successful cases have been where economic forces have been complemented by the cultural dimension, and by social institutions. In Europe, there is a growing sense of cultural commonality in the region, of "Europeanness" if you like.

You will notice I speak of a sense of cultural "commonality" rather than "identity". The sense of being a European is not in any way opposed to the pride that an Englishman or an Italian feels in his national cultural traditions. Quite the contrary. So European regionalism is more in the nature of being an extension of national identity rather than a contradiction of it.

**The labour movement was among the first to organize itself on a regional basis, and was initially in the forefront of the integration movement in the English-speaking Caribbean.**

The problem of insular identity as opposed to regional identification used to be a serious one in the West Indies. But I sense that it is far less so now than before. The growing sense of Caribbeanness is reflected in a number of phenomena: for example the popularity of reggae and dub music in the Eastern Caribbean; the popularity of soca and Carnival in Jamaica; the continuing durability and stability of the West Indies cricket team. If anything, culture is visibly in advance of economics as far as Caribbean integration goes.

The other crucial aspect of integration is the role of the social in-

stitutions of civil society in the process. Successful integration has always involved a willingness on the part of such institutions to merge some of their power into regional structures. The pay-off to them is an enhancement of their resources, and of their bargaining power vis-a-vis the rest of the world. Hence, regionalism is not seen as a loss of power and control, but an enhancement of these attributes.

Here again I believe that this aspect of integration is ahead of the economic aspects as far as the Caribbean is concerned. We see the University of the West Indies, an enduring and vital institution of regional co-operation. We see other institutions such as the Caribbean Examinations Council; and examples of functional co-operation such as the Caribbean News Agency, and the Caribbean Broadcasting Union; as well as the example of co-operation in the field of Meteorology. In addition we see the remarkable proliferation of non-Governmental organizations, led by the establishment of the Caribbean Conference of Churches, and including regional women's organizations, human rights organizations,

grassroots development agencies, and professional associations, such as Camwork for media workers and the Association of Caribbean Economists.

## The Role of Labour

What is most interesting and significant is that the labour movement was among the first to organize itself on a regional basis, and was initially in the forefront of the integration movement in the English-speaking Caribbean. As early as 1926 the British West Indies and Guyana Labour Conference held in Guyana adopted a resolution moved



by Captain Cipriani of Trinidad calling for a West Indies Federation. Its successor, the Caribbean Congress of Labour (CCL) was by 1945 pushing vigorously for a West Indies Federation with Dominion status and a socialist economic programme. In the 1940s the CCL lobby was the principal internal force pushing for a political union in the West Indies, and making substantial contributions to the debate over federation. So that in the case of the Caribbean it was labour rather than capital which attempted to lead the integration process.

**One has the impression that the input of the labour movement into national debates on economic policy, and into the discussion of regional economic development, could be much more visible and audible.**

I have highlighted this historical fact because of the apparent contrast between the 1940s and the 1980s/90s in this respect. One has the impression that the input of the labour movement into national debates on economic policy, and into the discussion of regional economic development, could be much more visible and audible. In the Regional Economic Conference just concluded, it seems that it was the non-Governmental organizations - notably the church and the women's organizations together with the economists - who led the critique of the present adjustment programmes, programmes that seek to ensure that debts are paid at the expense of the poor and the working class. It was the non-governmental organizations (NGOs) who elaborated the outlines of an alternative development strategy that is human-centered, and is environmentally sustainable. It is almost as if the NGOs are playing today the role that the labour movement was playing half a century ago.

So I ask myself, where is labour today in the regional integration movement? Where is the labour input into national and regional economic policies? Is it not time for

the labour movement to forge linkages with its natural allies, the NGOs, and to once again play a vigorous leadership role among social movements, as it did some 50 years ago?

### Preparing For Integration

If it is to do this effectively, then the labour movement must be prepared to educate itself in the economics and the politics of structural adjustment and export-oriented growth. It must equip itself to properly understand the issues affecting the regional integration

process. It must be fully capable of participating in the debate on the meaning of sustainable development.

The labour movement will need to strengthen its own research facilities, and to train and equip its own researchers in these subject areas so that it has an independent knowledge base. It cannot afford for its members and representatives to be confused and intimidated by the razzle-dazzle of monetarist technocrats. It must be able to prepare

**The labour movement will need to strengthen its own research facilities, and to train and equip its own researchers in these subject areas so that it has an independent knowledge base.**

documents on the most pressing issues of the day which can command the respect of the authorities and influence public opinion including the opinion of its own membership.

Labour colleges have of course a big role to play in modernising the knowledge base of the labour movement in these areas. I do not know much about the curricula of labour colleges, but if these subjects are being taught now, then I have to say

that the results are not very evident. If teaching programmes for labour are confined to subjects such as the techniques of collective bargaining, and the interpretation of financial accounts, then the labour movement will always be one (no two) steps behind making decisive inputs into those aspects of the decision-making process that affect the welfare of their membership.

You can spend six months or even a year on a new collective labour contract and see all the gains wiped out overnight as a result of a devaluation resulting from an IMF agreement. And what will happen to your membership base when industrial employment contracts because the domestic market is opened up to cheap manufactured goods from outside, as a result of a World Bank structural adjustment programme.

### Why Integration?

I have been proceeding as if it can be assumed without further argument that regional integration, like happiness and economic growth, is a "good thing", and that everyone agrees on this. But the reasons for advocating regional integration, and the objectives of any regional project, need to be made explicit. For it is these reasons that will determine the form of

regionalism, and these objectives that will shape the priority areas for cooperative action at the regional level.

In my opinion the only valid kind of regionalism is one that enables the participants to collectively develop their economies in the interests of their majority classes, in ways that each participating country would be unable to accomplish separately. Regionalism therefore implies em-

**.... any talk about regional integration that is limited to the English-speaking Caribbean is inadequate both in conception and in perspective.**

powerment of the membership in support of a strategy of broadening and deepening the production base, pursuing human-centered development, and strengthening bargaining power in external economic negotiations. Key areas of external negotiations include our relations with international financial institutions, negotiations on external debt, and negotiations with the economic blocks themselves, starting with Europe and the North Americans.

### Integrating the Whole Caribbean

Which brings me to my last observation. It is that any talk about regional integration that is limited to the English-speaking Caribbean is inadequate both in conception and in perspective. Such a restrictive conception of "region" excludes the four largest countries in the archipelago - Cuba, the Dominican Republic, Haiti, and Puerto Rico - as well as the French and Dutch-speaking countries. The relevant definition of "region" in our present circumstances, I would argue, embraces at the least all the islands, the three Guianas, and Belize. This collection of states and territories

fluctuations in international markets. We are all dependent on the financial policies of Governments of the developed countries. For all of us, the only alternative to total absorption in one or other of the world's economic blocks may be regional co-operation, and some form of regional association, which moderates dependency, and expands the scope for independent action. That is why we in the Association of Caribbean Economists have spent some time investigating such questions as trade and economic relations between Caricom and Cuba, Caricom and Puerto Rico, and Caricom and the French Antilles.

### Culture of Labour

I am not for one moment overlooking the tremendous linguistic, ethnic and cultural diversity of the Caribbean region. Nonetheless we do share similar historical experiences of colonization, slavery and indentureship. On this question I would like to end by sharing with you the words of one of the Caribbean's literary giants, the Barbadian novelist George Lamming.

**The relevant definition of "region" in our present circumstances, I would argue, embraces at the least all the islands, the three Guianas, and Belize. This collection of states and territories contains a population of 32 million and a land area of 633,000 square kilometres - a not inconsiderable economic potential.**

contains a population of 32 million and a land area of 633,000 square kilometres - a not inconsiderable economic potential.

All the countries in this region have, to a greater or lesser degree, highly open and trade-oriented economies that are vulnerable to the

"Whatever may be identified as cultural differences or differences of religion, between, say Asians and Africans in the Caribbean, the one embracing common experience they all share is the culture of labour. All groups constituting the

broad base of this pyramid came into the society to perform precisely the same function, and for a long time had the same relation to the domestic centre of power, whatever territory they were in.

When we examine the divisions which exist between these people in a particular territory, we have to consider the extent to which the instrument of race may not have been a political device used to reinforce ethnic antagonism, because what they had in common, as an historical experience, was the common culture of labour, and precisely the same kind of labour relation to the land.

And if labour is the foundation of all culture, it is in this role, that they humanised the landscape which we inherited."

### Footnotes

1. The article was excerpted from a speech delivered at the Sixth ILO Conference of Heads of Caribbean Labour Colleges, Mona, Jamaica, March 11, 1991.
2. Wedderburn, Judith (Ed.), (1991) *Integration and Participatory Development*, Kingston: Friedrich Ebert Stiftung and the Association of Caribbean Economists



# HKA

## HAMILTON KNIGHT ASSOCIATES LIMITED

The successful solution to  
staff recruitment and career development

When you need:

- People who can get the job done
- Qualified full time or temporary staff
- Career counselling or staff training



Call

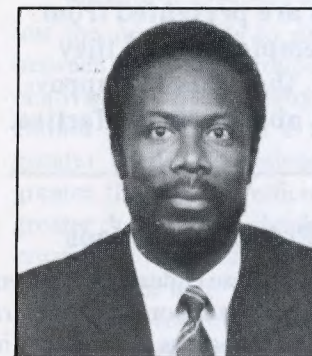
## HAMILTON KNIGHT ASSOCIATES LIMITED

'THE COMPLETE CAREER & PERSONNEL SERVICE'

3A PAISLEY AVENUE KINGSTON 5  
PHONE: 92-94632/92-61854/92-61816

## Productivity: Whose Responsibility?

(A Comment on the Jamaican Experience)



By Ashwell Thomas

Despite its importance and the great deal of lip service that has been paid to it in recent times, productivity is not properly understood. Economists measure productivity, they record it and they analyse it. Management traditionally urges more productivity, and in Jamaica the government has been encouraging more output per man-hour to make our country more competitive with other Caribbean nations and within the wider international market. The effect of productivity in our everyday lives is nothing short of enormous. Yet few people understand it, appreciate it or try to do anything to increase it.

Everyone exhorts us to increase productivity. But no amount of exhortation will help unless we under-

stand the factors that underlie the dismal performance of the economy over the last two decades and unless we can identify the concrete steps that must be put in place in order to generate better performance. The fact is that productivity is not (as politicians appear to think) about words, it is about deeds.

Jonathan Swift once said, "whoever could make two ears of corn or two blades of grass grow upon a spot of ground where only one grew before would deserve better of mankind and do more essential service to his country, than the whole race of politicians put together."

### Understanding Productivity

To the average worker the word productivity simply means working harder, or more intensively. It is in other words more exploitation. This is not necessarily so - if we were to oversimplify the word "productivity" it would mean "working smarter." And "working smarter" would apply from the Janitor to the Managing Director. By working smarter we are able to produce more with the same amount of human effort. This is the real meaning of productivity.

### Why Low Productivity?

At the core of our productivity problems in Jamaica is what I would describe as the "soon-come" syndrome. What this means is that in Jamaica we do not perceive time as a major cost factor.

But this is an extremely dangerous approach, for in a country with high interest rates and with high rates of inflation, every day, every hour, indeed every minute of unproductive time adds to the cost of output.

When we spend hours in the line waiting to pay our taxes, that is valuable production time being lost. When 85% of the workforce has to wait for hours at the bus stop to be transported to work that means that less time is available to produce goods and services.

### Why We Must Increase Productivity

There are many reasons for increasing productivity, but one of the most important is that increased productivity is one of the greatest weapons against inflation.

For too many years chronic inflation has ravaged the economies of many countries, choked real growth

At the core of our productivity problems in Jamaica is what I would describe as the "soon-come" syndrome.



and robbed pocketbooks of essential buying power. Sad, but true, high inflation has become a way of life in many nations; and it seems to have become accepted as inevitable in Jamaica. Even though periodic recessions may slow down the rate of inflation, events and trends from our recent past practically ensure that it will continue to haunt us.

One of the best ways to fight inflation is to increase the output of goods and services. But unless we use existing resources more efficiently (become more productive), then we have to buy more resources (labour and machinery) and this costs money. And since the cost of borrowing for expansion continues to be very high, future expansion will have to be largely financed from surpluses generated by businesses.

Getting this money together means cutting costs, increasing prices or both. But raising prices only compounds the inflation we are trying to lick, so we have to go all out to reduce costs. This is where improved productivity is so valuable and vital. It is really the most effective and immediately available method for reducing costs in business, and thereby reducing prices to consumers.

### Hallmarks of Productivity

The hallmarks of productivity are:

- An efficient workplace, effective management
- productive workers and progressive trade unions
- supportive and understanding government.

### The Role of Management

One area with great potential for improvement is in management itself. Increased productivity results most from sound planning, from wise investments, from new technology, from better techniques, and from better exercise of the functions of labour management. Too often

supervisors and foremen are bogged down in non-productive paper work and red tape. This takes them away from their real jobs of establishing a community of purpose by frequent face-to-face contact and closer communication. We need more productive men and women, modern managers who put a premium on creative ideas, and who have the time to experiment and the willingness to venture along new paths to productivity.

**As long as managers and supervisors are prevented from doing their jobs properly, as long as employees feel they cannot be fired for failing to perform, then talk of improving productivity is mere words and is absolutely ineffective.**

I regard productivity as a measure of management's effectiveness in employing all the necessary resources — natural, human and financial. If Jamaica is to improve in productivity — and we must — then productivity must be every manager's job.

Productivity depends greatly upon the attitude of all of us (as managers) towards our work. We may not fully understand the so called new work force — the younger, better educated, more sophisticated new employee of the nineties. We know, however, that these are the men and women who will do the work of tomorrow and they are a tremendous resource — more enquiring, more idealistic, more eager for improvement, more impatient with the outdated methods of yesterday. Part of our responsibility is to create situations where every employee can draw the satisfaction he needs from his job.

If we are to increase productivity we must invest more and take the risk. We must develop new technology and new materials that cost less to buy and ship and are more durable. We must simplify the design of our products so that they can be assembled with less effort in

less time and with greater quality. We must standardize more parts of equipment so new technology can be applied more widely. We must improve working conditions and take the boredom out of routine jobs. We must increase job satisfaction, heighten pride of workmanship and involve people personally in decisions that relate directly to their jobs. We must open up the lines of communication to encourage the flow of ideas.

### The Role of the Unions

In all these endeavors, however, we need the support and cooperation of the unions, as well as individual workers. In the national effort to increase productivity the role of organized labour is pivotal. As long as managers and supervisors are prevented from doing their jobs properly, as long as employees feel they cannot be fired for failing to perform, then talk of improving productivity is mere words and is absolutely ineffective.

### Cooperation

The determination to cooperate in the national interest could mean new and exciting opportunities at the workplace. One such possibility has been the focus of attention in recent times on worker involvement. It is difficult for me to conceive of a potentially more rewarding exercise at this time than of people and their institutions working together to achieve common objectives. In this regard, I believe the wage guideline packages implemented by government some years ago offered us a wonderful opportunity to develop a comprehensive and meaningful

**"We have as a country therefore lost the opportunity to distinguish between wage and productivity incentives".....**

productivity incentive programme. But some companies are using the productivity incentive clause to give bigger wage increases as a way around the guidelines. The result is that the average worker sees no difference between wage and productivity incentives.

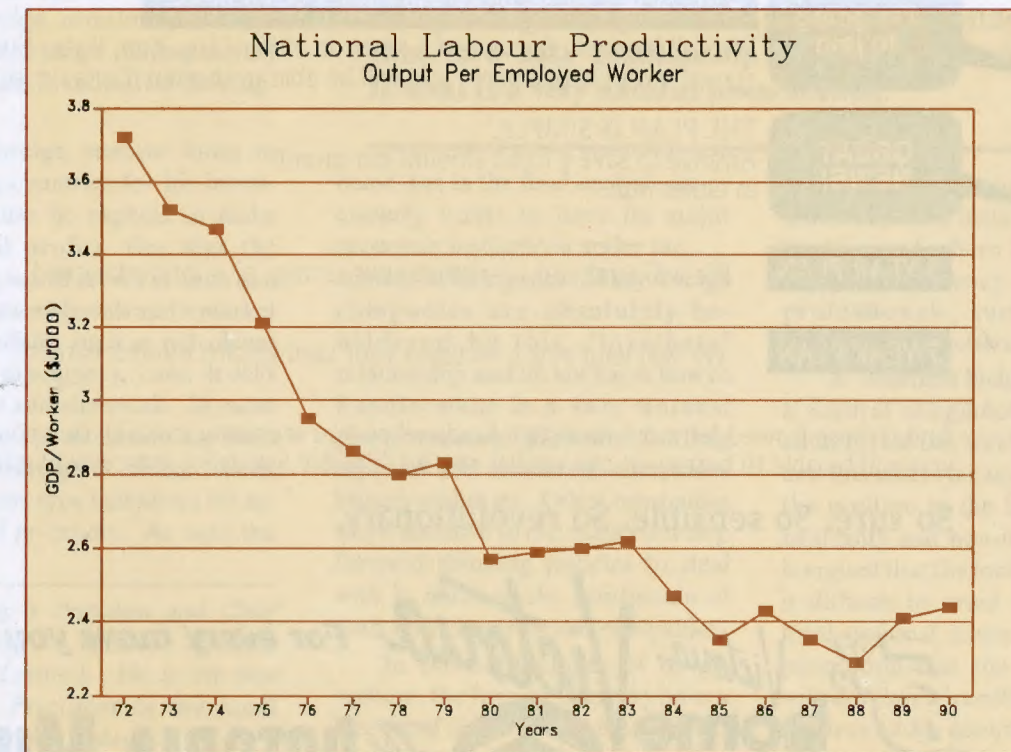
We have as a country, therefore, lost the opportunity to distinguish between wage and productivity incentives. A productivity "bonus" should be earned as a result of greater levels of efficiency. The greater the level of efficiency, the greater the incentive should be. Increases in wages in the Jamaican work culture have very little to do with improved efficiency at the workplace; instead they are based on the compounded results of inflationary costs. This has put us in a "catch 22" situation.

### The Role of Government

Government, too, has a special role in promoting productivity. Firstly, Government must continue its effort to control inflation, to stabilize the economy and to encourage investment. But Government also has its own management responsibility and is in a position to encourage efficiency and productivity through the example of how it conducts its own business. Because a significant number of Jamaicans work for Government, efficiency in the governmental establishment will also significantly affect the nation's productivity.

### Conclusion

Productivity is basic to the country's ability to compete in the world economy. Labour and management must see productivity improvement as our common concern and we must both review our attitudes towards how it is best accomplished. We will only win the battle against inflation, high interest rates, adverse balance of payments and unbearable poverty if we are able to depend on human initiative and the effective use of human energy. To do this we need a mental revolution, a dramatic change in attitudes, a shift in the existing work culture and a new work ethic. Efficient management, efficient workers, facilitating Government, an attitude towards the job that "we must be competitive", an awareness that time is the most costly ingredient in the production equation are all part and parcel of the drive towards productivity. In this there is a role for all parties in the industrial system, for the reality is that if we do not succeed we will all be losers in this very competitive world. ■





# The Best Move To Protect Yourself From High Mortgage Rates

Have you  
heard?

About  
Victoria's  
5%  
Home Plan?

It's the  
best  
move in  
Mortgages.

I'm going  
to join

GREAT  
NEWS!

**5 YEAR PLAN** – We will lend you 1 1/2 times your savings plus interest earned.

OR

**7 YEAR PLAN** – We will lend you 1 3/4 times your savings plus interest earned.

And if there is need for more mortgage funds when you are ready to build, buy your home or land you will be able to borrow at our special rate for "Eligible Savers" as long as you qualify.

So sure. So sensible. So revolutionary.

Remember when we invited you to make the best move and join the 5% Mortgage Plan? Well, at that time regular lending rates were only 16% per annum. Today, with our special rate for "Eligible Savers" at 19% per annum, joining Victoria's 5% Home Plan is the wisest move you could make.

**THERE IS NO CATCH TO IT.**

YOU GIVE UP A LITTLE, by earning less interest on your savings. AND YOU GET A LOT. In our 5 Year Plan, the interest you save during a 15 year Mortgage at 5% is **more than 7 times** the interest you gave up during the savings period.

In our 7 year plan, you save **over 5 times** the interest given up.

...A \$100,000 mortgage at 5% for 15 years saves you over \$160,000 in interest payments, when compared to our special rate of 19%.

**JOIN OUR 5 YEAR PLAN OR OUR 7 YEAR PLAN**

We will lend you for up to 15 years on either plan. And, if you save more than the agreed monthly payments you will be able to shorten the savings period.

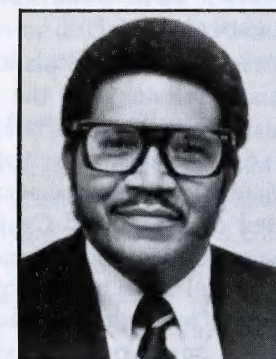
THE PLAN IS SIMPLE.

Arrange to save a fixed amount per month in either our...

**5% Victoria home PLAN** *For every move you make.*  
**The VICTORIA MUTUAL**  
*Building Society*

HEAD OFFICE: 6-8 DUKE STREET,  
KINGSTON, JAMAICA  
TEL: 922-5751, 922-9410

## FOREIGN INVESTMENT AND HUMAN RESOURCE DEVELOPMENT: THE CASE OF ALJAM



By Keith S. Pantan

History is replete with examples of foreign investment, human capital and foreign playing a very strategic role in industrial development.

The foreign investor looks to developing countries for his investment because he expects to make substantial profits. For him the developing world serves at once as a source of raw materials and a market for commodities such as petroleum products, machinery, cars, trucks and textiles and chemicals. In more recent times the attraction has been to take advantage of cheap labour and free-zone type incentives for assembly and re-export. As such the

Dr. Pantan is President and Chief Executive Officer of Alcan Jamaica Company Limited. He is the first Jamaican President in the local Bauxite/Alumina industry.

developing country is happy to accommodate the foreign investor because of the dire need for foreign exchange and the possibilities foreign investment holds for the establishment of some type of manufacturing or agri-business base. This is normally the first phase of the foreign capital/management flow.

As industrialization progresses the attractiveness of *foreign interest* tends to diminish on the part of the developing country. In other words, foreign capital investment without management control may be wel-

time passes, freedom of action is restricted, and laws (work permit laws) come into effect to control entry of foreign management.

The foreign firm in the early stages of development usually has good reason to use its own nationals:

**1. Shortage of Skill:** Modern management requires people with general and technical education, extensive experience and training in complicated applications, and they must have administrative and organizational ability. In the early

**Many foreign companies are absolutely bewildered by this, 'love-hate' relationship and do not know how to handle what is a very natural phenomenon.**

come, but in the final analysis no country wants to have its major economic institutions under the control of foreigners. Many foreign companies are absolutely bewildered by this, "love/hate" relationship and do not know how to handle what is a very natural phenomenon. Usually feeling rejected and unwanted, companies bitterly withdraw. Other companies more sensitive to the reality develop forward thinking policies to deal with it, much to the satisfaction of both host countries and companies.

In the early stages of development, the foreign firm may have a free hand and it is at this stage that they make a substantial contribution to management development. As

stages the developing countries lack the educational institutions for basic training and where the institutions exist the tendency is to produce professionals, such as doctors, lawyers and teachers.

**2. Political Neutrality:** There is a natural allegiance to the home country that the foreign national has and this makes it easy for him to take the position in the host country of neutrality and non-interference. It is argued that the local national finds it difficult to avoid involvement in local political issues, so there is a perception that the local national will develop a conflict between allegiance to his company and loyalty to his country. This perception persists in the later stages of develop-



ment even though business schools, teach the principles of professional management, and persons trained in these institutions can apply general management principles worldwide.

**3. Consistency in Decision Making:** Since major decisions are usually made at the head office in the home country, the foreign firm may well want someone from its head office in the key position in the local subsidiary to ensure those decisions are carried out.

In spite of this, however, the forward looking foreign investor may from very early adopt a policy of employing local nationals and training them for the ultimate takeover of senior positions in the company.

There are several reasons for this: Firstly, expatriates cost much more to employ than locals.

Secondly, local nationals have the advantage of being sensitive to the thinking of the leaders of the host country and can develop policies and directions which can be of immense value to the foreign company.

Thirdly, the expatriate sticks out like a sore thumb - he usually lives in an exclusive enclosure and lives more affluently than his local neighbors. He therefore invites the resentment of the local population and the opposition of the host country Government. A continuation of the programme of employing expatriates in all senior positions, and the appearance of isolation from the local community, increase the chance of nationalization.

Finally, resentment is usually generated at the workplace for what is perceived as double standards and the morale of local workers might go down.

### The Approach

Some companies adopt a policy of employing only local nationals from the very beginning and offer only advice on technical problems or marketing methods, and maintain some supervision over financial matters. This approach is not practical

**Regardless of the nature of the enterprise, however, the enlightened foreign firm will from the start seek to integrate foreign managers and technical personnel with local nationals.**

for complicated industrial enterprises, since in the beginning stage there is normally no readily available engineers, technicians and managers.

Regardless of the nature of the enterprise, however, the enlightened foreign firm will from the start, seek to integrate foreign managers and technical personnel with local nationals. It will have a standard policy of offering positions to all local nationals who are qualified. It will make a sincere effort to train local personnel for managerial jobs, and will encourage expatriates to mix with the local population, to live outside of the locally named "Johannesburg", to join local clubs and to make a practice of entertaining local nationals in their homes.

#### Jamaicanization: The Alcan Experience 1950-1990.

In my view Alcan Aluminum Limited is one transnational corporation which has handled the issue of foreign investment and foreign management in at least one developing country (Jamaica).

Alcan began constructing the Kirkvine alumina plant in the year 1950. The Kirkvine plant was undoubtedly the largest and most complex industrial initiative undertaken in Jamaica up to the time. The local building and construction industry was yet unborn and the construction of the Kirkvine plant was done by expatriate companies. It was in this

context that the expatriate experience of Alcan was initiated. The construction companies faced a shortage of local skills at all levels and had to bring from abroad project managers, engineers, supervisors and even a number of tradesmen - electricians, welders, millwrights, etc.

When the Kirkvine plant was commissioned in 1952 the professional, technical and senior supervisory cadre was totally expatriate. The senior management consisted of British and Canadian nationals. All departments, including personnel were headed by expatriates. The engineers, whether electrical, mechanical, civil or chemical all came from abroad. At the supervisory level, some of the foremen were expatriates and the supervisory level above the foremen - namely, the general foreman - was also completely manned by expatriates. Indeed, there were some expatriate tradesmen and three or four expatriate secretaries. The secretarial area was in fact the first to be fully Jamaicanized as the Jamaican recruits very early demonstrated that they were at least equal to their Canadian counterparts in training, competence and diligence.

In the male dominated skilled areas local recruits were drawn from the Government service and the sugar estates. These including accounting officers, clerks, mechanics,

**At that time the relatively few Jamaicans with tertiary level education qualified as teachers, ministers of religion, lawyers, doctors and civil administrators. The sciences, engineering disciplines and technically skilled areas were not a priority.**

powerhouse operators, indeed all the skilled personnel that could be found.

The high preponderance of expatriates in the early days of the bauxite/alumina industry was justified by the serious lack of Jamaican professionals - managers and engineers. The technology of refining alumina, a chemical process, was unknown in Jamaica, and thus began the transfer of that technology.

At that time the relatively few Jamaicans with tertiary level education qualified as teachers, ministers of religion, lawyers, doctors and civil administrators. The sciences, engineering disciplines and technically skilled areas were not a priority.

### The Ewarton Plant

The start up of the second Alcan plant at Ewarton in 1959 saw some departure as regards the composition of personnel from the 1952 scenario at Kirkvine. By that time there were a few Jamaican engineers, many Jamaican general foremen and a complete cadre of Jamaican foremen. These were trained at Kirkvine, permitting an intra-country transfer of new technology. By then also Jamaicans at Alcan had begun to demonstrate a good understanding of the intricacies of the Bayer process. All key positions were still, however, held by expatriates, and the advent of Jamaica's Independence in 1962 did not bring about any notable change.

The absence of noticeable change, however, did not mean inertia. The company had earlier initiated in-house training programmes and at all levels Jamaican incumbents demonstrated a tremendous capacity to acquire the skills and techniques to which they were exposed.

The succession process was aided by some significant developments which were to impact heavily on the expatriate situation. Three of these are noteworthy:

**The result of these developments was the unfolding in the early 1970s of the firm commitment to a planned Jamaicanization programme. This harmonized with the wave of nationalism that swept the country at the same time.**

- i. The first recruitment in the early stages was of a number of Jamaican professionals - engineers mostly, but also accountants, and personnel officers. This recruitment programme led to an influx after 1962 of bright, hard-working, secure and articulate professionals. By 1966, these young people began to seriously challenge the status quo. By this time there were as well three or four Jamaican department heads - in the finance division, in the technology area, and in personnel - all doing first class jobs.

Still there was no denying the dominance of the expatriates and their virtual monopoly hold upon the levers of power in the organization. And as is wont to happen, the differential in treatment between expatriates and local nationals began to cause resentment. For example, housing was provided for expatriate professionals but not for locals. The questioning by the young professionals did not go unheeded. They questioned, they challenged, they learned, and they worked hard. Fortunately the senior management of the company was not insensitive. They listened and they reacted positively.

- ii. An expanded training programme including participation in JIDC sponsored "training within industry" (TWI) courses as well as arrangements for short courses overseas.
- iii. The passing of two related

pieces of related legislation:

- (a) the *naturalization act* which required foreign nationals resident in the country for at least a specified period to opt for the citizenship of their choice - Jamaica or elsewhere.
- (b) the work permit law which established procedures to be followed before foreign nationals could take up positions in the country.

### Jamaicanization

The result of these developments was the unfolding in the early 1970s of the firm commitment to a planned *Jamaicanization* programme. This harmonized with the wave of nationalism that swept the country at the same time.

Between 1970 and 1974 there was a significant shift from the expatriates in respect of departmental leadership. The new Jamaican managers performed well; indeed with distinction. It must be noted, however, that all the appointees were well trained, disciplined, hardworking and eager to show their mettle after a long period of 'apprenticeship' so to speak. Failure at that stage would have slowed down - if not frustrated - the Jamaicanization thrust.

The first Jamaican division head - as opposed to department head, was appointed in 1970 and significantly, was appointed treasurer of the company; a position many felt would have been the last one to have a local national. He was a very experienced Jamaican who had done a stint as controller at DEMBA



# AS/400

## The new age in mid-range computers.

The new IBM Application System/400™ is the mid-range computer you've been waiting for. It has been designed for simplicity to be truly "ready-to-use". And that includes everything from installation to training and support.

The AS/400™ is ready to go to work for you immediately. Right now, over a thousand proven System/36 and System/38 applications can run on the Application System/400. And they'll run more efficiently.

In fact, through IBM and our business partners, the Application System/400 will have the richest library of applications available for a mid-range system. So, chances are excellent, it will have the right working solution for your business.

The AS/400 comes with its own "built-in classroom" System Delivered Education.

This innovation allows your staff to easily learn the system on their own terminals and at their own pace. This can eliminate the need for them to spend valuable time on training courses, away from the office.

The AS/400 comes with Electronic Customer Support, an on-line link to IBM service and support systems.

This integrated function, unique to mid-range computers, means fewer on-site calls and faster service, reducing downtime and costs.

The AS/400 has the best growth potential you'll find today in mid-range computers. Growth that can be achieved within the same architecture, using the same applications.

This means you can protect your investment in hardware, software and training well into the future.

We believe, the more you find out about the IBM Application System/400, the more you'll be convinced, it can be the working solution for the life of your business.



IBM World Trade Corporation,  
52-56 Knutsford Boulevard,  
Kingston 5, Jamaica  
Telephone: 92-63170-9

IBM is a registered trade mark and Application System/400 and AS/400 are trade marks of International Business Machines Corporation. IBM Canada Ltd., a related company, is a registered user.

**All this was setting the stage for the not too inevitable appointment of a Jamaican to the top position in ALJAM. This occurred in 1982 and was repeated in 1984.**

(Guyana) and was fully qualified. That appointee was named vice-president and deputy managing director in 1974 during the height of the famous levy negotiations.

In 1976 a Jamaican was appointed head of the personnel section and vice-president. A similar appointment was made in the agricultural division.

Two years later the first Jamaican Works manager was appointed at Kirkvine Works and a little later at Ewarton Works. By that time some 80% of all senior engineers and managers were Jamaicans. Training at all levels was in full swing and management development programmes were emphasized. An effective exchange programme at the young engineer level was introduced whereby Jamaican engineers went to plants in Canada and Canadian engineers came to Jamaica.

All this was setting the stage for the not too inevitable appointment of a Jamaican to the top position in ALJAM. This occurred in 1982 and was repeated in 1984.

At the present time all the senior positions except the chief financial officer are held by Jamaicans. Indeed, Aljam's professionals have held and now hold very responsible positions elsewhere in the Alcan system - either on transfer or in the context of our exchange programme of professionals. Both arrangements have helped over the years to broaden the perspectives of our own lads and to prepare them for greater responsibility either in Aljam or elsewhere. Since a two way street is involved it is not envisaged that Aljam will ever be without a few expatriates.

Currently there are nine (9) expatriates in the alumina related

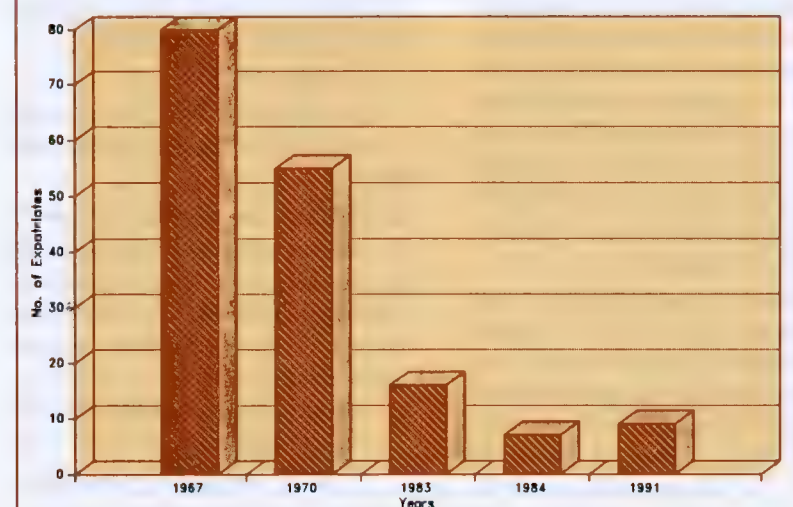
business one (1) of whom, a Brazilian, is in a senior management position and three (3) of whom are specialist/consultants. Of the others four (4) are involved in the exchange programme and one (1) is at a senior professional level.

Our records show that there were eighty expatriates in 1967, fifty five in 1970, sixteen in 1983; seven in 1984 and nine at the present time. During the period 1979 to 1981 when much uncertainty and anxiety characterized our national life, the Jamaicanization process was put under pressure by the separation of forty or so professionals, primarily to migrate. Twenty expatriates had to be brought in to fill the slots, but they were hired for fixed contract periods of up to three years, at the end of which time they returned without an

obligation on the part of Aljam to see them redeployed. At the same time Aljam recruited young engineers straight from university and assigned them to understudy the expatriates. This programme worked well.

The conclusion is then that expatriates made a significant contribution to Aljam's development and performance; that they helped Aljam's young professionals along when the latter came in new and inexperienced; that their presence facilitated the process of transfer of technology to the point where Alcan has been able to sell technology developed in Jamaica; that for the Jamaicanization to succeed it must be undertaken in the context of a plan. That plan must include careful arrangements for the training of and development of locals to take over from expatriates *before* the former become too frustrated to believe that top jobs in their organizations can be attained by them on the basis of quality performance and the demonstration of capacity for growth.

Expatriates Employed to ALCAN Ja. Ltd.  
Selected Years (1967-1991)



*This illustration demonstrates the decline in expatriate employment by Alcan Jamaica Company from 80 in 1967 to nine in 1991.*



## Barriers To Excellence:



By Frances Coke

There can be few Caribbean organizations which today do not regard the achievement of excellence as a major objective. This has been as much a response to the increasingly competitive marketplace and the imperatives of survival in small Third World countries, as it has been to the impact on corporate leadership of the publication *In Search of Excellence*, written by Tom Peters and Richard Waterman. Despite being an American publication, this book has had a significant impact on organizations worldwide. This impact has been all the more important because of the apparent simplicity of the ideas advocated by these giants in the field of organizational development.

Efforts to adopt Peters' and Waterman's ideas for use in Caribbean organizations, however, will only bear fruit if managers take the time to diagnose the cultural norms and practices which exist in the region; such norms will naturally inhibit or facilitate the introduction of

Frances Coke is a specialist in Human Resource Development and is the Training Manager at the Jamaica Telephone Company.

any new approaches to the management of organizations in the Caribbean. Some may argue that regardless of the cultural setting, exposure to sound principles, coupled with the determination to introduce necessary changes, are the only requirements for improving effectiveness, productivity and organizational success. I maintain however, that the very best innovations may be doomed to failure if steps are not taken to identify the factors which may influence the success of any new management philosophy.

### Hallmarks of Excellence

Though the insights and observation of Peters and Waterman may not be considered revolutionary and though they are notable for a simplicity which borders on the obvious, they have been eagerly welcomed by managers worldwide. These writers identify seven outstanding features which characterize "excellent" companies:

#### 1. Bias for Action

A strong orientation amongst management to "making things happen".

#### 2. Staying Close to the Customer

Customer driven organizations keep their eyes on the needs of their customers and organize themselves to meet such needs effectively and continuously.

#### 3. A Climate of Autonomy and Entrepreneurship

This is based on a concept of placing decision-making power at the levels where it matters most.

#### 4. Productivity through People

The belief in getting things to happen through the release of the organization's human resources.

#### 5. Hands on, Value Driven

Companies are energized by values which generate meaningful action.

#### 6. Sticking to the Knitting

Excellent companies concentrate on doing the business which they know well

#### 7. Decentralization

Autonomy is pushed down to the "shop-floor level", with centralization being the approach only where core values, corporate vision and direction are concerned.

To the discerning eye, these principles will be quickly recognized as the same ones which have been and continue to be espoused by advocates of quality management in the Caribbean. Professor Carl Stone, (1982) for example, stressed the need for the following strategies to be employed as a means of improving output among Jamaican companies:

- Involvement of workers in decision making
- Creative leadership
- Training and development of workers to contribute effectively
- Productivity-linked incentive schemes.

Despite contextual differences, cultural divergences and varied approaches to research, it is obvious that there are similarities in the prescriptions made for the Caribbean and the practices identified among excellent North American companies. What may not have been adequately explored is the possible existence of characteristics within our environment which may mitigate against the successful intro-

There are still signs in many organizations of leadership based on a misunderstanding of its own importance... leadership based on financial "wizardry" to the exclusion of strategic vision, insights and modelling of desired behaviour.

duction of such practices in Caribbean organizations. I am of the opinion that it may be important to assess these characteristics, as it is to define the profile of the organizations which we consider potentially successful. What then are some of the factors?

Many models have been developed to categorize and measure the variables which determine effectiveness and productivity. The early history of management is noted for its emphasis on the technical aspects of work, as experts sought to "engineer" work to perfection. Then came the era of psychology and human relations, which promised to change the attitudes of workers through "caring" management. As is typical of human endeavor, neither of these approaches, in the extreme, brought the desired results. In our Caribbean context, however, there continues to be insufficient recognition of this evolution which has occurred in management theory. There are still signs in many organizations of leadership based on a misunderstanding of its own importance... leadership based on financial "wizardry" to the exclusion of strategic vision, insights and modelling of desired behaviour.

Regrettably, amongst the fraternity of Human Resource and Development (HRD), much of the reaction to evidence of this trend has been defensiveness, acceptance and despair, rather than analysis and strategic counter-activity. It may well be, therefore, that the first barrier to excellence is the lingering failure among managers to provide leadership and vision alongside technical and financial expertise. And for our part in the HRD frater-

nity, perhaps the first implication is that we make ourselves barriers to the very excellence which we clamour for, by failure to meet the technical experts on their own turf and to convince them with their own tools, of the validity of broadening their perceptions of their roles, to focus adequately on the management of human behaviour as the primary task of organizational leadership.

We move to three other potential barriers to our pursuit of excellence.

### Attitude to Work

On approaching this issue my first question is, how do we measure the psychological posture which worker and manager alike adopt towards work? Where does work fit into our overall life scheme and how do we ensure that the notion of ourselves as people who have to work, fit into our value systems at all, let alone in a positive sense? What message does our society project about the value and how are we socialized to develop a concept of work?

My theory is that when we ask ourselves and our workers to deal with work in positive ways, which will manifest itself in the evidence of values such as commitment, dedication and the desire for excellence, we are going counter to the messages which dominate our lives outside of the work place. In other words, we

strive within the organization from eight to five, to foster attitudes, feelings and perceptions which are contradicted in the rest of our lives.

It is this fact which in my view, can account for the many attitudinal indices which are cited as reasons for shoddy and unproductive performance. One may call it our alienation from the part of ourselves which must work... an alienation which conditions us to give as little of ourselves as possible, and to avoid the risk of being considered "tyrants, queers or company people."

### Valuing the Resources of Others

My second concern is not unrelated to the first. In managing and in working, we are called upon to dispense, control, use and care for resources which do not belong to us. Are we asking the impossible when we expect ourselves to protect these resources and make the best use of them? Can the mechanic working for a "faceless" customer in a big company, treat the tools and equipment in the same way and achieve the same results as when he uses his own tools to fix his "personal" customer's car on his sidewalk on a Saturday morning? Mark you, in the latter context nobody is faceless... his relationship with his customer is direct, personal and essential to his pocket and reputation!

This dichotomy between being a cog in a big company's wheel and being one's own boss, points to the need not only for making workers feel "a part of things" by selling shares and generating worker investment. It requires in my view, mechanisms through which the individual's personal goals can be integrated with the organization's mis-

In our Caribbean context there continues to be insufficient recognition of the evolution which has occurred in management theory.



# SYMBOL OF *Quality*

Mark Associated with  
Safety, Reliability and Versatility.



The leader in the packaging and container industry in Jamaica and the Caribbean for more than 50 years ... the Van Leer mark has come to be associated with safety, reliability and versatility.

It is a reputation painstakingly earned from years of experience and research to meet the needs of the Manufacturing, Agricultural and Export Industries for strong, safe, reliable and economical containers.

Van Leer...

Drums, Kegs and Pails,  
carefully fabricated to internationally  
accepted specifications...  
... the symbol of Quality.

 **Van Leer**  
Packaging Worldwide

Van Leer (Jamaica) Limited Ferry, St. Catherine, P.O.Box 367, Kingston 10. Telephone: 933-3314-5

sion, purpose and character. It requires a conscious programme of socialization through which a deep sense of belonging can be engendered. The problem is that as nations we have largely failed to achieve this level of socialization at the broader societal level. The absence of a commitment to nation building on the part of most of the population may be a force inhibiting organizational strength derived from the ability to identify with organizational goals.

Of course, we know that managers must help to create meaning in the employee's work. But the question must be asked: *how does a manager do this if he himself finds no meaning in his work?*

## The Need for Team-Work

This brings me to a third concern: it occurs to me that every definition of management which has become legendary, places managers and workers in a context which implies that one is active and the other passive. Managers must lead, guide, motivate, coach, train, reward, punish, rehabilitate workers, while the latter repose as passive beneficiaries of all these wonderful activities.

**We strive within the organization from eight to five, to foster attitudes, feelings and perceptions which are contradicted in the rest of our lives.**

How can workers be cast as inert, pliable drones and still be expected to deliver productivity, effectiveness, excellence? We must accept that the emphasis which has been placed on management's active role may have "managed" workers into a set of reactions which rob their role of meaning, while frustrating the life of managers who deep, down realize that the description of what they are supposed to do, places them in a position of inevitable failure.

**As a region we do not have a reputation for team work.**

Can we therefore contemplate a definition of management which implies equally active roles for both managers and workers in a process of empowering all? There are implicit signs of the recognition of the need for this in the growing tendency to "twin" the ideas of leadership and "followership" as equally important concepts. These concepts indicate joint responsibility and give due regard to the fact that both manager and worker are adults with the potential for self management and self-determination. This could reduce some of the barriers to productivity and effectiveness by encouraging a team approach in which the contributions of both worker and manager are recognized as critical.

In considering this prospect we must be conscious of the prevailing view that as a region we do not have a good reputation for team-work. Highly individualistic and self-centered, the West Indian has found efforts at integration and cooperation an elusive dream. We are ripe for experiment with a concept which encourages the acceptance of

meaningful, important and valuable not just for the manager but for the entire team whose members share in their manager's accountability.

## Implication for HRD

Although not frequently identified as significant factors which can inhibit organizations in their pursuit of excellence, the three issues identified above are certainly powerful influences in our Caribbean context. Admittedly they are issues which complicate the discussion of productivity and achievement, primarily because they fall outside of the range of tangible, measurable variables, which lend themselves to easy manipulation. They require assessment tools and training techniques which go beyond knowledge and skill, areas with which many practitioners are more comfortable.

A significant implication for HRD therefore is the need for a recognition that these problems do not lend themselves to "tried and proven" techniques. Bass and Avolio (1990) submit, that the circumstances call for the development of transformational leaders who

..... elevate the desire of followers for achievement and self development, while also promoting the development of groups and organizations. Instead of responding to the immediate self interest of the followers with either a carrot or a stick, transformational leaders arouse in the individual a heightened awareness of key issues to the group and organization, while increasing the confidence of followers, and gradually moving them from concerns for existence to concerns for achievement, growth and development.

responsibility for self and for effective team membership. Leadership thereby, becomes a mechanism for articulating purpose and creating a social organism capable of fulfilling that purpose. It manages the relationship between individual team members to reduce non-productive conflict and foster interdependence. Equally important to this process is the *active worker*, who identifies with the stated purpose and recognizes that its fulfillment is



The message to HRD practitioners is two-fold: first we must begin the process of self evaluation and determine our own route to becoming transformational leaders within our organizations. Secondly we must redefine some of the skills and attitudes required of leaders in the nineties, as a basis for shaping training and development experiences which will equip our clients with strengths which are relevant to transformational leadership. The training approach is based on regularity rather than isolated intense experiences. Modular programmes tailored to meet specific organizational situations along with "core" experiences to deal with general principles are advocated. Participants are actively involved in self assessment and selection of "module options" which fit in with specific needs. Emphasis is placed on diagnostic skills, delegation and development of subordinates.

#### Measurement and Assessment:

In considering assessment tools, the most likely response to the issues which have been raised, is that the targeted variables are not "measurable". If we look at the matter of measurement and assessment narrowly, we may conclude that measurement of productivity and achievement must be based on traditional assessment tools. It is now clear, however, that in many critical areas, particularly in the areas of leadership and attitude, the traditional quantitative tools will yield information which solves only half of the problem. Certainly productivity and achievement must be measured in terms of units per man-hour, fault clearance, attendance, completion rate, quality inspections, calls answered, customers served, etc. But total dependence on this approach is of some concern.

First of all it cannot help us to measure several types of jobs, the outputs of which are intangible.

These include quality of service, customer relations, supervisory and managerial effectiveness - even quality of training and development activities! In taking this position, the desirability of quantitative measurement is acknowledged. What we must guard against is failure to develop creative, reliable methods for establishing achievement and non-achievement in these other critical areas. The importation of narrowly-tested instruments from alien cultures is not an option either. We must develop the skills of psychology testing and research as a matter of urgency, to fill this gap in our HRD fraternity. This will assist organizations not only in providing tangible evidence of our positioning with regard to the achievement to which we aspire, but in identifying and measuring the variables which inhibit our progress.

**HRD practitioners must strive for a better understanding of the realities which face managers so that their proposals are grounded in reality and relevance.**

Finally the HRD fraternity must guard against oversimplification of issues related to productivity and achievement of excellence. Promising the "quick-fix" one-day seminar which "will change the attitude of managers" and overstating the objectives which can be achieved by training activities conducted in isolation from real organizational issues, are examples of oversimplification. Marketing a perception of training and development as a panacea for all productivity and performance problems is another. Guided necessarily by their own imperatives for survival, internal and external (independent) Human Resource consultants must strive for a better understanding of the realities which face managers so that their proposals are grounded in reality and relevance. In this regard, it is strongly recommended that as early as possible in the HRD

practitioner's career, there is opportunity for managing projects, or people other than in training assignments. This is a salutary experience which brings idealistic HRD practitioners face to face with day-to-day issues thus broadening their vision.

The issues of productivity and the pursuit of excellence are indeed complicated and far-reaching. As organizations strive for achievement they must be sensitive to the barriers which may inhibit their efforts. HRD practitioners are demanding their rightful share of "influence". Perhaps some attention to the issues raised here will assist in the achievement of both sets of goals. The examination of such issues must continue.

#### References

- Bass, Bernard and Avolio, Bruce (1990) "Developing Transformational Leadership: in 1992 and Beyond", *Journal of European Industrial Training*, Vol. 14, No. 5, 1990.
- Peters, T. and Waterman, R. (1985) *In Search For Excellence*, Harper and Row.
- Stone, Carl (1982) *Work Attitudes Survey - A Report to the Jamaican Government*, Earle Publishers.

## SPECIAL REPORT THE FARM WORKER CONTROVERSY

The migrant farm work programme involving various Caribbean islands and the United States, has long received critical attention from various interest groups in the USA and throughout the Caribbean. A high point of this assessment of the programme was reached recently with the promotion of a documentary film highlighting conditions of employment under the programme. This documentary, which was shown on Jamaican television, provoked renewed interest and controversy.

To date the discussion of the farm work programme has been marked by extremes of emotion and ideological positions. The documentary, "H2 Worker", for instance, focussed exclusively on the workers' interest to the exclusion of the employers and other interest groups. The American producer, Stephanie Black, presented a singularly narrow and one-sided perspective of the programme. With the unwitting support of the main beneficiaries who climb over each other to enlist for the programme every year, she painted a picture of harsh, oppressive working conditions, bitter exploitation and slave wages. Backed locally by representatives of the church, by social activist organizations such as the Social Action Centre and by a formidable body of information emanating from the work of American trade unionists and liberal intellectuals, Ms. Black was able to do a fairly good job of presenting one side of the story.

The question, however, is whose side?

#### What is H2?

The Farmworker Justice News (1990) explains that the H-2 programme is a system which allows the importation of migrant labour under a special temporary H-2A visa. To do this the employer must establish that there are no qualified American workers and that the importation of workers will not adversely affect the wages of American workers. In practice this means that the workers must be guaranteed the highest state or federal minimum wage.

Official statistics show that for the last five years, over ten thousand Jamaicans go to North America every year on the farm work programme (see table). Over one half go to cut cane. Aside from the direct benefits received by the workers themselves, the programme is in fact a useful source of hard currency for the economy. In 1990, remittances amounted to US\$20.5 million, 26 percent more than the US\$16.4 obtained in 1989. On a whole the farm work programme provided a foreign exchange inflow of some US\$60 million between 1989 and 1990.

#### NO. OF FARM WORKERS GOING TO THE UNITED STATES

CALENDAR YEAR	NORTHERN STATES	FLORIDA (Sugar)	TOTAL
1986	5645	5243	10888
1987	5724	5030	10754
1988	5805	5596	11401
1989	6157	6427	12584
1990	6351	6952	13333

Source: Ministry of Labour (Jamaica)



## A Brief History

The US farm work programme began during the Second World War at a time when there was a serious shortage of labour in that country. In its effort to address the problem, the Government of the United States turned to the Caribbean, and entered into an agreement with the islands of Jamaica, Barbados, St Lucia, Dominica and Grenada, to supply temporary migrant workers to the United States.

Initially the agreement, covering the period 1943 to 1946, was between the US Government and the Governments of the various participating countries. When this contract came to an end, however, a tripartite agreement was signed between the American farmers and the British West Indies Central Labour Organization (BWICLO), the forerunner of the present West Indies Central Labour Organization (WICLO).

**To date the discussion of the farm work programme has been marked by extremes of emotion and ideological positions**

The board of WICLO meets every year to negotiate the terms of the work agreement with the American farmers, the terms of the group insurance policy protecting the workers in cases of off-the-job accident and sickness and to review the operation of WICLO. The majority of the officials on the board are Jamaicans. WICLO is funded by the Governments of the various participating territories and negotiates with the US sugar cane growers on behalf of Barbados, St. Lucia, St. Vincent, Dominica, Grenada and Jamaica.

Aside from the cutting of sugar cane, the H-2 Programme involves work in tobacco, vegetables and fruits. Sugar cane, however, is the largest and most controversial component.

## Politics and Recruitment

The current system of recruiting in Jamaica is explicitly political. Committees are appointed in each constituency and a specific number of tickets are given to each. It is left to the committee, comprising party functionaries, to issue tickets to prospective candidates. Not surprisingly, a fair percentage of town-bred "concrete farmers" and persons who have never worked on a farm in their lives, end up on the programme. The recruitment problem is of course compounded by the fact that the average age of sugar cane cutters in Jamaica is increasing. People are not attracted to sugar cane cutting so it is inevitable that persons will be selected who have no experience in sugar cane.

The political element in the recruitment process is nothing new. Twenty-five years ago Norman Washington Manley, former president of the National Workers Union and then leader of the affiliated Peoples National Party, had this to say:

**The whole set up prevents any logical system of selection being used...In general the committees pick these men with no regard to their fitness for the specific type of work involved. The whole thing is a political exercise. (Kramer:1965)**

In all these years nobody seems to have bothered to attempt to remove the political element from the programme.

The American companies have sole discretion over the selection process. They are allowed to nominate 60 percent of the cutters each year from the list of previous participants in the programme. The remaining 40 percent is selected from new recruits. Once the workers arrive in Florida they undergo an eight-day period of training. Following this, they engage in a three-day probation period. Persons who fail to perform to an acceptable standard may be sent home.

## Problems/Contentions

Any fruitful analysis of the H-2 programme must recognize the existence of different interest groups: growers/employers, activist, migrant workers, and officialdom. In the USA, the employers' interest is represented by the main sugar growing companies. Their source of power is obvious and they have wielded it with great effect in defending themselves from their main opponents, the activists. Not surprisingly, they can find little that is wrong with the programme.

## The political element in the recruitment process is nothing new

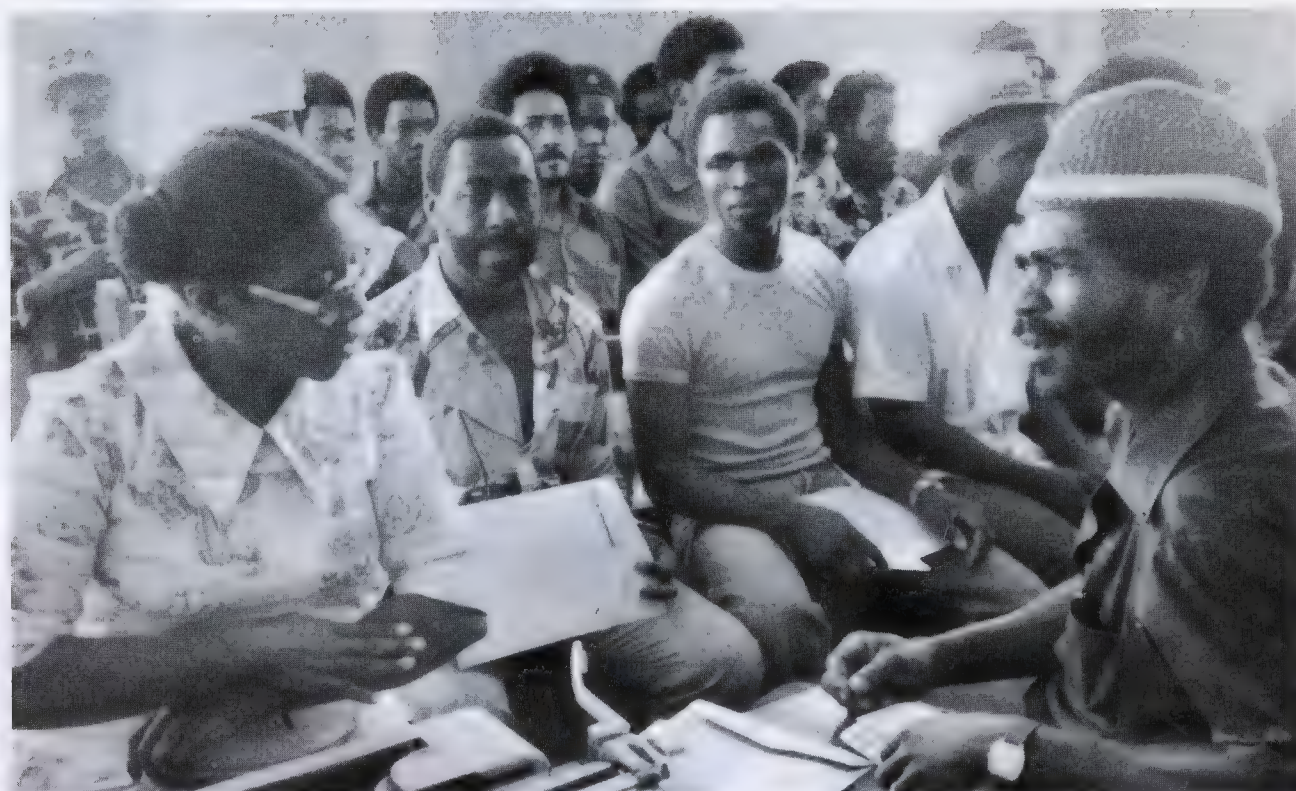
The activist grouping comprises a solid block of opposition in the form of American trade union interests, their lawyers and some elements of the American and Caribbean intelligentsia. The position of this group is fairly adequately represented by that of the Farmworker's Justice Fund. According to their 1990 newsletter, the "Florida sugar growers, with the acquiescence of the United States Department of Labour, operate a 19th century-style plantation system that must be exposed and ended".

It is within this framework that the work of Ms. Black and her associates in Jamaica must be placed. The activist perspective suggests:

- that working conditions are tantamount to slavery
- that the more militant workers are discriminated against and others subjugated by threat of arbitrary dismissals and fear of deportation







Farmwork applicants being processed by a Ministry of Labour staffer in Kingston, Jamaica.

-Jamaica Record

c. that the workers are underpaid, and that while the United States Department of Labor turns a blind eye, the cane growers use various means of paying workers below the legal minimum, and keeping them in the dark about the method of calculating their pay.

Officialdom is represented by the implicit alliance of the various Caribbean Governments, the West Indies Central Labour Organization and the United States Department of Labor. This perspective is fairly well represented by the Permanent Secretary in the Jamaican Ministry of Labour, Mr. Anthony Irons. In an interview with the *Caribbean Labour Journal*, Mr Irons suggests that the problems identified by the activists are largely exaggerated.

### **The Florida sugar growers operate a 19th century style plantation system that must be exposed and ended**

Based on no less than five visits to the Florida sugar area, Mr. Irons (who is also chairman of WICLO) maintains that there is nothing fundamentally wrong with the conditions of work. Workers use a wide range of safety clothing including arm guards, head-gear and safety shoes. With the exception of the shoes, everything is provided free of cost by the company. They are well and properly fed. According to Mr. Irons, he himself has sampled the food and found nothing wrong with it. Farm

workers have a Jamaican cook and by and large, receive Jamaican menus. The problem, in his view, is that "they want yam and coco (Jamaican starches) everyday" whereas they frequently have to be satisfied with what is available - rice and potatoes.

Workers' living quarters are dormitory-style facilities. These are cleaned regularly at the expense of the farming companies. The problem, in the mind of the Ministry official, is that the workers themselves insist on congesting the facilities with large items like tape decks, commonly known as, "ghetto blasters" and motor bikes.

According to official data the workers who survive the first eleven days are guaranteed a minimum wage of US\$5.30 per hour. As Mr. Irons concedes, however, the method of payment does not seem to be well understood by the workers. He explains that the job is given out as task work. Workers are paid by the row of cane cut and are expected to cut a certain minimum per day. That minimum should translate into at least the minimum wage payable.

The fact that rows can be of different lengths and are paid for at different rates, combined with the fact that there is no generally acceptable method of valuation, has been a traditional and serious source of contention. The surprising fact is that after 40 years the method of payment is known only to the growers. Officialdom feels that payment is based on a piece work system backed by a minimum wage, the cutters themselves do not appear to know and the activists claim that it is based on weight. In

all this confusion it does not appear that a worker can know in advance how much he will earn for a given volume of work. Yet, knowledge of the basis upon which one is paid would seem to be integral to any working relationship outside of slavery.

### **Views of the Farm Workers**

In an effort to arrive at the farm workers' perspective, the *Caribbean Labour Journal* spoke to three workers who had been on the programme. All are from the sugar cane growing areas of Westmoreland and no real names are used. Jackson has been a migrant worker for the past 15 years. Bobby has been involved for five years. Busha went to Florida for 20 years, at the end of which time he decided to stop.

### **WICLO chairman Anthony Irons maintains that there is nothing fundamentally wrong with the conditions of work.**

The reactions were mixed. In the case of Busha, his reason for stopping was that after 20 years the work had become too hard for him to manage. Although he had stopped cutting and was now a supervisor, he felt that his job constantly placed him in a position of confrontation with his fellow workers and that this was something he could not deal with. Furthermore, out of his earnings he had established business locally as a building contractor and he now had a solid alternative to migrant labour.

Jackson has been a farm worker for 15 years. Of that time he cut cane for eight seasons. He declares that the work is hard but "if you are smart you can get along". In his view it is only the "sof boys" who have a problem. He attributes all his material prosperity, his cows, three acres of land and his house to "American money".

Bobby, who after six years as a cane-cutter has now entered the apple picking programme, maintains that cane cutting is "kill-dead" work; he complains bitterly of the "pushers" (foremen) who "if they don't like you will do anything to get you in trouble". He stopped cutting cane because he got the opportunity to pick apples which is less strenuous.

While the views on the various elements of the programme are mixed, the workers have a virtually uniform opinion about the liaison officers. They see these officers as doing little else but driving around in a big car and talking to the boss. It is apparent that there is extremely limited interaction between the worker and the liaison officers, and more importantly, there appears to be a total absence of trust.

### **A Perspective**

An examination of the programme suggests that its major problems stem not from absence of structures but from structures which do not function. A major problem resides with WICLO. WICLO is currently chaired by the Permanent Secretary of the Ministry of Labour in Jamaica, Mr. Anthony Irons. In addition, it includes the Solicitor-General of Jamaica, and two trade union representatives. WICLO is clearly not in a position to monitor the programme directly. This role of directly interfacing with the workers, of ensuring that their working conditions are adequate, that they receive their just due in terms of pay, is therefore given to the liaison officers.

The majority of the workers who participate in the farm work programme are illiterate or semi-literate. This means that, by and large they do not understand the details of their contract. It is the job of the liaison officers to explain this to them, but it does not appear that this works at all. There is a cloud surrounding the role, function, background and qualification of these liaison officers. They are appointed and paid by the West Indies Central Labour Organization. Their function is ostensibly to look after the welfare of the farm workers and to ensure that the employer keeps up his end of the bargain. The prevailing opinion among farm workers, however, is that they better serve the interest of the farmers than the workers.

The method of payment is a central area of concern. Although the workers must earn a minimum hourly rate under the law, their work is actually measured out and given to them on a task or job basis. They are expected to cut two "field rows" at a time. This is referred to as a "cut row". They are then paid on the basis of how many "cut rows" they cover per day. The fact that two "field rows" amount to one cut row and the allegation that the farmers adjust the rates so as to get maximum work for the smallest possible pay, has been an ongoing area of contention. It does not appear that over the years the matter has been resolved to the satisfaction of the workers and there is no indication that any serious effort is being made at the official level to address that problem.

### **There is extremely limited interaction between the worker and the liaison officers, and more importantly, there appears to be a total absence of trust.**

In the past, the programme incorporated a compulsory savings component. This has recently been declared illegal in the United States. Regional Governments, however, continue to encourage it on a voluntary basis, because they wish to ensure that (for their own good) the workers actually repatriate some of their earnings. This is clearly a commendable thing. In our view, they should



be encouraged to save more than the current 23 percent. The problem in the past has been the length of time taken for the workers to obtain this money once they have finished the programme. In the case of Jamaica the intervention of Government has reduced this time from three months to 21 days. Given the existing levels of technological development, though, the waiting time clearly could be reduced some more. And if the delay has to be that long, then somebody should be paying interest to the workers.

Cutting cane is hard work. This is undeniable. Over 25 years ago the Bahamas, which was involved in the original programme, dropped out. That country's then liaison officer, described the programme as slavery, and

**It seems hypocritical to dwell on the condition of sugar workers in Florida, while ignoring the vastly worse conditions endured by sugar workers in Jamaica**

the type of work as "unfit for human beings". This, however, is certainly a matter of perspective. Any society which can afford to, will aim to make work light and will save its people from the excesses of drudgery and onerous labour. The Bahamas had an alternative and it did not then have, nor ever had, professional cane cutters. Their people, unlike Jamaicans, have chosen not to go.

The chance to avoid hard, back-breaking work is largely a function of the level and stage of development of a society. The fact is therefore that at this point in Jamaica's history, we must engage in hard, back-breaking work, whether in our own country or in other people's countries.

**There is nothing inherently wrong with hard work. In Cuba, at the height of revolutionary fervor, a wide cross section of white collar workers including university faculty and students went into the fields to help with the reaping of cane. Jamaica has a large if diminishing, band of men who make a living cutting cane. Over the years, unions and politicians have strongly resisted the mechanization of the sugar industry on the basis that it would throw people onto an unemployment scrap heap that numbers consistently over 20 per cent of the labour force. The contradiction is that Jamaican society and culture do not find dignity in work; rather they espouse idleness, mendicancy and devious paths to easy riches.**

This, to be sure, is not the problem of the genuine Jamaican farm worker, nor does it appear that he is worried inordinately about working conditions. The problem is that he is working in the dark with no buffer between himself and an all-powerful employer and he does not know how his pay is determined. Nowhere in the matrix of competing powers is there adequate representation of his interest. The cane growers defend their own, the activists defend those of the North American

farm worker (with incidental benefits to farm workers in general) and officialdom would appear to see no evil, hear no evil and do little or nothing.

### The Jamaican Situation

But more to the point, it seems hypocritical to dwell on the condition of sugar workers in Florida while ignoring the vastly worse conditions endured by sugar workers in Jamaica. There is no way that the United States Government and trade unions would permit people to work in that country under the conditions faced by workers on Jamaican plantations.

Jamaica also has "migrant workers", people who live miles from the estate, who migrate for weeks at a time to cut cane, and who live in barracks, without proper sleeping and toilet facilities, no cooking facilities, no running water, in fact no potable water, and no electric light.

No protective clothing is provided for sugar workers in Jamaica, and there is by and large, only the most rudimentary medical facility. Whereas Jamaican workers employed to Florida cane growers are taken to work on a bus, their counterparts who commute to work on Jamaican estates, may walk as far as ten kilometres to work.

The most startling contrast, however, is the wage. A wage of US\$5.30, per hour translates into about J\$53.00 per hour at the most conservative rate of exchange. At six hours per day, this amounts to J\$318 per day and almost \$1,600 per week. That almost \$80,000 per year income puts the H2 worker in the top ten percent of Jamaican workers in terms of earning power. This stands in stark contrast to the \$32 per day that Jamaican trade unions have won for local workers.

It seems clear that if Florida-based Jamaican cane cutters earn more in an hour than Jamaican cane cutters earn in a day while working under much worse conditions, then what anyone who has an interest in serving Jamaican workers needs to investigate is the Jamaican sugar industry.

### References

1. *Farmworker Justice News*, Vol. 4 No. 1 Spring 1990.
2. Kramer, Peter, (1965) *"The Off-shores"*



Newly recruited Jamaican farmworkers boarding buses for the Norman Manley International Airport in Kingston, Jamaica.

-Jamaica Record

**Our youth want to make great strides into the future...**

**...we want to set them on the right track today.**

The future of our nation will soon be in the hands of our children. They must be strong in mind, body and spirit if they are to successfully conquer the challenges that lie ahead. Mutual Life knows that. We are doing our part to support the dreams and aspirations of our youth. Through the **Mutual Games** we hope to instill positive values along with encouraging competitive, sportsmanlike behaviour. We want our young people to learn what it means to be a leader so they can reach for that goal.

*The Feeling is Mutual*

**mutual life**

**HEAD OFFICE**  
MUTUAL LIFE CENTRE  
2 Oxford Road, Kgn. 5.  
Tel: 92-69024-39  
BARRY STREET I, II & III  
NEW KINGSTON BRANCH  
PREMIER PLAZA

**HALF WAY TREE**  
TRAFALGAR RD.  
MONTEGO BAY I & II  
MANDEVILLE  
MAY PEN  
OCHO RIOS



## The Entrepreneur's Entrepreneur



By Ian Boyne

Kingston is a magnificently beautiful sight at nights...when viewed from the elevation of the hills, with lights displaying sparkling harmony below. From the vantage point of the hills, one escapes the punishing heat of summer and the claustrophobic congestion of urban life. Tonight is particularly delightful, not only because of the hills and the radiant view below, or even the sense of stillness that pervades the atmosphere. Tonight it is the human element that makes the refreshing difference this time.

I am relaxing with one of Jamaica's leading industrialists...the entrepreneur's entrepreneur...Mr Paul Geddes, a man whose accomplishments have earned him the prestigious accolade, Order of Jamaica. But what else could a nation do to honour a man whose products, particularly his Red Stripe

*Ian Boyne is a free-lance Journalist and hosts a weekly television interview programme called Profile. He has written numerous articles for regional publications.*

Beer, have gained such international reputation and which, along with reggae have made Jamaica popular all over the world?

I am sipping my drink slowly (a Desnoes and Geddes product, what else) while listening intently to this man's fascinating story. Paul Geddes is a study in entrepreneurship and good management practice. In a rare interview, Geddes, still wearing suspenders and tie despite the lateness of the hour and his being in his own house, picks up the story from he was eighteen.

It was then that he joined Desnoes and Geddes which his father Thomas Geddes owned in partnership with Peter Desnoes. Paul

**Paul began humbly enough, in the men's toilets where his duty was to scrub and clean. It never entered young Paul's mind that there might be something humiliating about the task, and even today he expresses amazement at some people's...many people's reluctance... to do menial chores.**

began humbly enough, in the men's toilets where his duty was to scrub and clean. It never entered young Paul's mind that there might be something humiliating about the task, and even today he expresses amazement at some people's...many people's reluctance... to do menial chores.

"Today nobody wants to wash the floor and sweep, they feel its beneath them. In fact, today people don't even want to use a broom to sweep, they have to get something mechanical."

Paul Geddes is very much a

child of another era. Indeed, one of his managers will later describe him as "beyond this century," not behind it. The fact is, Paul Geddes is a man for all seasons, and the Caribbean has absolutely no chance of rising from its economic and social quagmire unless it can reproduce enough people like him, people who are not easily daunted by obstacles, who relish difficult situations, and who make a fine art of turning lemons into lemonade.

But then Paul Geddes is in the "mixing business." One thing is certain: he is not mixed up. He never let the fact that his father was a senior partner in the business get to his head and even worked for nine months without pay. When he was

finally put on the wage bill he got the grand sum of three pounds, ten shillings a week. Before that he only got a pound a week pocket money. When he had worked for a period and asked his dad for a raise, old man Geddes told him that if it were up to him alone he would get no increase, and therefore he had to ask Mr. Desnoes. A smile steals across his face and he raises his head from its usual sloped position to tell me that out of his small earnings he could still save to buy a car. "Even with a pound a week pocket money you could still take a girl to the movies", he chuckles, glancing over



PAUL GEDDES

to his wife of only a few months, Margie.

From very early, young Geddes began to make his mark on the company. At the tender age of nineteen he was put in charge of the brewery when the brew master left suddenly.

He went to England to look at brewing operations there and when a brew master was recruited, he went back to the soft drinks department. But his restless entrepreneurial spirit could not let him settle into a comfortable salaried position for too long. He heard about a candy factory for sale on Water Lane and Church Street in downtown Kingston and borrowed five hundred pounds to buy it (those were the days). The factory was later moved to Orange Street and under his management, the company did spectacularly well. In one particular year the company was the only section of the Geddes business enterprise which made any profit at all.

Paul Geddes next acquired an ice factory on his own, situated on

Oxford Street. Despite being a director of D and G, Paul Geddes, also began making soft drinks and competing with D and G! The board told him that as a director of D and G, it was unacceptable that he was a competitor of the company. They asked him to resign. He refused, saying they would have to fire him. They obliged. Nevertheless he remained an employee of D and G. It was a good thing, however, that the company never got rid of him totally or you are not likely to have heard much about D and G today.

It was Geddes who initiated the bottling of Pepsi Cola in Jamaica after Coca Cola had hit the Jamaican market. In fact, it was he who negotiated the contracts for not only Pepsi Cola's bottling plant but also for Heineken Beer and Schweppes.

Both Peter Desnoes and Thomas Geddes developed a high level of respect for Paul's entrepreneurial gifts and visionary leadership. It always seemed as though he knew what was coming and was always preparing the com-

pany for the future. Besides, he had shown in his own private business that he knew how to run a successful company. His soft drink company had been doing so well that he once brazenly told his father, "I am going to run you out of the soft drink business, but before I do that, you want to buy me out?" He ended up selling his company to his father without making a profit.

You might well ask why would he do such a thing? "I did not want to leave my father," he says simply, displaying a loyalty that many would find expendable.

And when D and G's brewery began to experience problems, forcing the company to suspend all brewing operations, it was Paul Geddes who diagnosed the problem and subsequently took over brewing operations. In the first year of running the brewery he made a profit. "The company had lost money for ten years before I took over," he informs. Under his leadership the brewery made enough money for the company to build a new plant and to move from Pechon Street to Spanish Town Road. It was Paul Geddes who insisted that the ninety-odd acres of land which now house the Hunt's Bay plant be bought when the company's management was hesitant in making a decision. He recounts how time was running out for the company to make a deposit on the property. At a board meeting he told members that if they were not going to buy the land then he personally would. It was he who found the money to make the first installment while management was still making up its mind.

Today, one can readily concede that it would have been a tragic mistake if the company had not acted to purchase the property. Paul Geddes' visionary qualities are spoken of regularly in Jamaican business circle. Roy Lafayette, Commercial Manager of Geddes Refrigeration, owned by Paul Geddes says in an interview with the *Caribbean Labour Journal*: "Paul



**" Paul Geddes has the remarkable ability of seeing things twenty years down the road.**

Geddes has the remarkable ability of seeing things twenty years down the road. He will come into a meeting and say 'I think you should do this or that', and when you look at it you can't find any reason why you should do it. But afterward when events overtake you, you realize that the man was right and had seen far down the road when all the factors had not yet come together."

Lafayette runs out of superlatives to describe Geddes and you would have to hear him to experience the intensity...and sincerity...with which he showers them. "Paul Geddes is way ahead of this century and is way in the twenty first century. I have never met anyone else like him. He can look at a product we are using and say this will become outdated and should be discarded, when there appears to be nothing to suggest that. It is when the thing comes through that you realize the man's genius." Lafayette cites a number of examples at Geddes Refrigeration to prove his point.

Paul Geddes has all the marks of your legendary entrepreneur; he is forceful, creative, risk taking and bold.

Take the Tia Maria Story: Tia Maria has been such a stunning success and has done so much to establish the name of Jamaica on people's lips the world over, some overseas promoters have perpetrated myths about its origin and have refused to give credit to Paul Geddes.

After World War Two, noted journalist and lawyer Maurice Cargill wrote him a letter from England, saying that there were no liqueurs on the market there except Drambuie and that D and G made a pimento dram which could be sold there as a liqueur. Geddes approached his father and Mr. Desnoes with the suggestion and was told that the

makes great products which are recognized around the world for excellence. Our Kola Champagne, for example, has been rated highly by people from all over the world. I am



*Mr. Geddes makes a presentation to Mrs. Rosemarie McDonald who has been a Desnoes and Geddes employee for 40 years.*

company had no interest in exporting liqueurs to England. In his characteristic manner of never taking no for an answer, when he knew something could be done, Geddes decided to personally take the plunge. He approached a friend, Dr. Kenneth Evans who was experimenting with liqueurs and eventually a coffee liqueur, Tia Maria, was born.

A company was formed to manufacture and market the product and the bold entrepreneur Paul Geddes had been proven right

happy about how well Red Stripe beer has done and how it is well rated internationally."

For him, as it is for many of the traditional entrepreneurial class, it is the challenge of achievement, the drive for self actualization, the urge to create, that motivates rather than an addiction to wealth.

It gives a man like Paul Geddes immense satisfaction to know that he could take a company like West Indies Glass, which many thought was ready to go down the drain, and turn that same company into a profitable

**"I really try to treat everybody the same way I would like people to treat me. I try to put myself in people's shoes and to see things from other peoples perspectives."**

again. Today Tia Maria is world famous.

Relaxing with his D and G drink and stroking his wife's feet, Geddes says wealth and power have never been his attraction. "What gives me satisfaction is to know that D and G

enterprise. "I was the only person who had the faith that West Indies Glass could come back and the only one who would do the refinancing."

It gives a man like Paul Geddes immense satisfaction to know that

Geddes Refrigeration has done no advertising in the forty years of its existence and yet it is the third largest company of its kind in Jamaica, following companies which have a high advertising profile.

What accounts for Geddes' remarkable achievements and what makes him push ahead, despite his eighty-one years? "I really try to treat everybody the same way I would like people to treat me. I try to put myself in people's shoes and to see things from other people's perspectives."

His wife adds enthusiastically: "He is a very positive person, he can turn every negative situation into a positive one. He allows people to do their jobs and he gives them space to grow and to make their own mistakes." She should know. She was once manager of a hotel which he owns in the Cayman Islands. He has a number of investments there...and was one of the earliest Jamaican investors in that country.

Aside from his keen business acumen and outstanding entrepreneurial abilities, it is Paul Geddes' easy going nature, his



*Mr. Dudley McKoy of the Desnoes and Geddes Soft Drink Plant receives his award for 45 years of service from Executive Chairman, The. Hon. P.H. Geddes.*

**To hear his employees talk about him is to believe that they are talking about a shop-floor colleague. Indeed he is frequently on the shop floor and is very much a hands on manager.**

humility and earthiness that people speak about most, and of course his relationship with his staff. To hear his employees talk about him is to believe that they are talking about a shop-floor colleague. Indeed he is frequently on the shop floor and is very much a hands on manager. "You don't find many eighty-one year-olds climbing on top of buildings. But Mr. Geddes will do that if there is an air conditioning problem and he needs to do it to solve the problem. He is just amazing."

There was a time when he knew all his staff by name and often conversed with them about their families.

The *Caribbean Labour Journal* was fortunate to interview one of the largest serving employees of D and G, Mr George Bailey, who retired as

a delivery truck and was in the car behind beckoning him to stop. Not only did the worker refuse, but he showered the managing director with a load of expletives. He was surprised to discover when the two vehicles turned into the same place that the man he had just roundly cursed was the owner of the company. What Geddes did, tells a lot about his general demeanour. He called the man into his office and "spoke to him like a father" Bailey relates. "He could have fired him because what he did was explicitly against company policy. Besides that he abused the boss. But Mr. Geddes forgave him. In fact in my 57 years at the company I don't think he has fired five workers. I can only recall two. He is never the one to give you the feeling like 'you know who I am

**"He is a very easy-going person, one who is approachable and one who always had an open door policy; you could go and talk to him about anything and he is a good listener."**

a supervisor last year after fifty seven years of service. He has worked closely with Paul Geddes all these years and was delighted to speak about "Mr Paul" as the workers call Geddes fondly.

"He is a very easy-going person, one who is approachable and one who always had an open door policy; you could go and talk to him about anything and he is a good listener."

Bailey mentions that if you just walk on the compound of the company you would never know that he was the owner because of his unassuming appearance. He recalls how one day Geddes saw a man drinking the company's product while driving

around here?" He never shouts. If he has a problem with you he calls you to his office and he speaks like a father".

Bailey says Geddes is involved in the total lives of the workers and their personal problems and concerns are his. Speaking to the *Caribbean Labour Journal* on his fifty first wedding anniversary, Bailey recalls how as a young man of twenty-one he decided to get married and went to some of his fellow workers who ridiculed him and gave him no encouragement. Then he went to Mr. Geddes who encouraged him, told him it was a good idea and said "well tell me about it when it comes nearer



# ALL TAX-FREE INVESTMENTS HAVE ONLY ONE THING IN COMMON –

**“TAX-FREE”**



What Sets them apart  
is their Record of  
**PERFORMANCE.**

## THE CAPITAL GROWTH FUND

**GROWTH**  
OVER THE PAST 17 YEARS **2831%**

**GROWTH**  
OVER THE PAST 10 YEARS **1272%**

**GROWTH**  
OVER THE PAST 5 YEARS **252%**

**GROWTH**  
OVER THE PAST 3 YEARS **213%**

**GROWTH** LAST 12 MONTHS **88.52%**

Before you put your money into ANY TAX-FREE INVESTMENT, you need to get the facts on its past performance. If you can't get it, perhaps it doesn't exist. Go for track record and avoid the promises.

Effective Date, September 6, 1991

FOR FURTHER INFORMATION CALL:

**JAMAICA  
UNIT TRUST  
SERVICES LTD.**

11 Trinidad Terrace, Kingston 5, Tel.: 92-98135-6, 66758

Trustees: Scotia Bank Jamaica Trust & Merchant Bank Ltd.

It should be appreciated that the value of units may go down as well as up.

Fill out this Coupon and Mail to:

**JAMAICA  
UNIT TRUST  
SERVICES LTD.**

11 Trinidad Terrace, New Kgn. Tel: 92-66758/98135/6

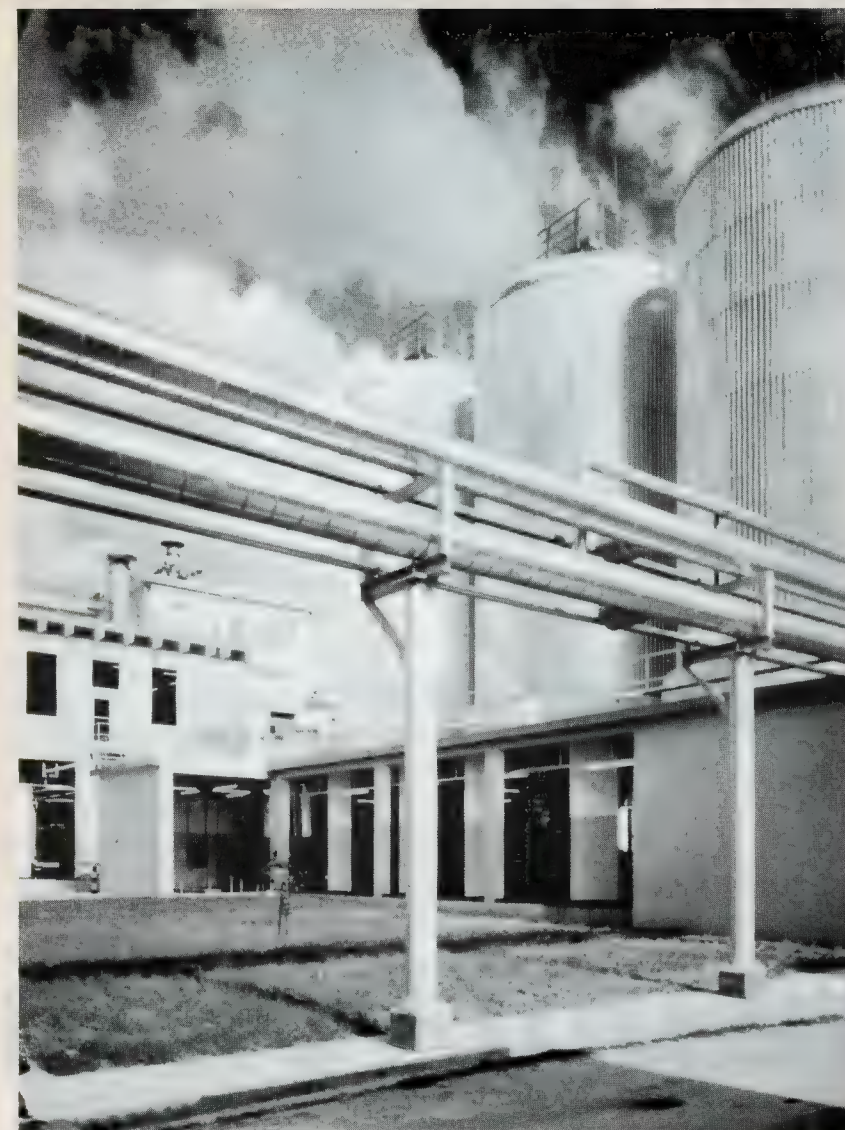
I am interested in the: ☐ Capital Growth Fund ☐ Income & Growth Fund

Name .....

Address .....

or call me at Tel. No. ....  
(Please do not send Money)

**Buy units today! Watch your money Grow!**



*The Desnoes & Geddes Brewery*

to the time and I will give you a little something." Last year for Bailey's fiftieth anniversary, Paul Geddes was at the function to celebrate the occasion.

He regularly attends social functions held by his employees and frequently appears at the public events put on by his high profile company. He doesn't like making speeches. He is simply not a "profiler". He prefers to work quietly and let the results speak for themselves.

He is so loved by his staff that at one time when a worker abused him verbally after Mr. Geddes found

him sleeping on the job, it was the other employees themselves who demanded that the man be fired because they were not prepared to work with someone who had shown disrespect to "Mr. Paul". Former supervisor George Bailey concludes "there was always a perception among the workers, 'if I go to Mr. Paul I will get justice'. Even if you as a supervisor have a dispute with them, they will go over your head and go to see him because they believe he will give them justice. They always believe they will get fair play from him."

Asked about his views on

unionism and whether he fears strong unions, he says he does not fear strong unions, only ignorant unions. "If a union is strong then they will have the guts to tell the workers when their demands are unrealistic and will end up hurting them. Weak unions are carried away by emotionalism."

Speaking on company policies, Geddes says he remembers the time when the banks only used white women to interface with the public and that D and G "was one of the first companies to use a black woman on the front line operations, to deal with the public. I remember she was a former bottle washer too."

Even at eighty-one he shows no sign of slowing down. He still goes to work every single day and still puts in up to eleven hours of work on week-days. "Mr Geddes goes to work every day, man" His driver tells me while driving me away from the interview. "Only when he is away from Jamaica, him don't go to work. Even on Saturdays and Sundays and him leave [for work] from eight o'clock on Saturdays".

He has no plans to retire. "I wouldn't be alive if I was not working. What would life be like, sitting doing nothing?"

Wife Margie, is a vivacious, sparkling personality. His marriage he says, with the prodding of Margorie, is his "crowning achievement". Says he, "I never thought I would get married again. But I was knocked off my feet, and I tell you, I am putting everything into this marriage and I intend to make it work." Geddes shares with his wife a vegetarian diet and both eschew alcohol and smoking.

But what all well thinking Jamaicans share with Paul Geddes, is the intense pride in knowing that we, and this Caribbean region, could produce this giant who can hold his own anywhere in the industrialized world. With a few more Paul Geddes', we could well be a net exporter of intellectual capital. ■



# Commerce: Behind the scenes



As long as there has been an independent Jamaica, ICD has been a vital force in her Commercial growth. Several companies in our Group are involved in marketing, service and finance, helping to keep the Jamaican economy vibrant and active. But ICD is more than just businesses; we're constantly examining the market place so we

can adapt to your ever-changing needs. ICD believes in the necessity for businesses to move with the times.

**THE I.C.D. GROUP OF COMPANIES**

Together we achieve  
7-9 Harbour Street, Kingston, Jamaica  
Cable: Develop; Telex 2120  
Tel: (809) 92-26670, Fax: (809) 92-20256

## We put you in touch with money-

**When you need it!  
Where you want it!**

There's no place that you can do business where we can't help. We have correspondent relationships with connections that extend to all major financial centres of the world ... and we move fast! Contact us today!

**JAMAICA  
CITIZENS BANK  
LIMITED.**

4 KING STREET, KINGSTON, JAMAICA, W.I. TEL.: 922-5850-4  
*Banking in Jamaica's interest*

**around the world!**

## THE CASE FOR CONSULTATIVE MANAGEMENT



By Clive Dobson

There is a view that poor work attitudes are a feature of rank and file workers, that is, of non-managerial categories of workers. For various reasons it is of concern to us as trade unionists to hear that workers are indisciplined, lazy, unproductive and unambitious; in short, that they have a very poor work attitude. In certain countries of the Caribbean, it is often said that our economies are not productive and efficient, precisely because of this so-called poor work attitude. Such a view is generally expressed without reference to the particular cultural orientation or historical experience of the countries being compared.

### A Trade Union Perspective

From the vantage point of a trade unionist of many years ex-

Mr Dobson is Vice-President of the National Workers Union of Jamaica. A former Senator, he has worked as a trade unionist for over 30 years.

perience, there is far more to the question of attitudes, production and productivity than meets the eye. Work is the very foundation of our socioeconomic system. There is no doubt that work attitude is a key determining factor in organizational growth, productivity and national development. No country can hope to advance unless there is an appreciation among its people of the value and importance of work, and unless there is a national commitment to hard work. We cannot fold our arms and expect to go anywhere

But we must acknowledge that there is a history and a set of traditions which condition our attitude to work in a unique fashion. This historical influence has much to do with work, approaches to motivation, leadership styles, organisational

deeply ingrained in our psyche and will take years to purge. I have heard many times workers referring to the job as *the slave*. The employer or supervisor is by implication the *slave driver*. The period after work is referred to as *black-man time*. Draconian leadership, and non-participative styles of supervision serve to worsen the situation. Rigid organisational hierarchies serve to reinforce this perception. Employment practices and compensation systems which discriminate on the basis of "lines", "connections" and family background rather than talent, achievement and capability also add to the problem.

Any attempt to understand work attitudes must therefore pay attention to how our work environment and production processes have evolved, and how the various aspects

**Work is the very foundation of our socio-economic system... No country can hope to advance unless there is an appreciation among its people of the value and importance of work, and unless there is a national commitment to hard work.**

structure, personnel selection processes, decision making processes, and compensation systems.

For example, the horrendous experience of slavery is really quite recent in historical terms. Historians have often made the point that many are alive today whose grand-parents were slaves. Slavery was a profoundly dehumanizing, demoralizing experience. It imparted negative attitudes to work, to the family, and to self which are

of our work and broader social environment contribute to this problem.

There are innumerable factors that affect work attitude, but the point I wish to make can be illustrated by referring to three of the most important ones. These are: decision making processes, motivation, and the matter of integration into the development process.



## The Decision Making Process

Decision making is perhaps the most important activity in management. Some management theorists claim that decision making is essentially what management is all about. The decisions made about a business affect not only the economics of the organisation, but the lives of management personnel, workers and their dependents. Indeed, viewed collectively, the decisions made by the various entities in the public and private sector combine to determine the direction of the country as a whole and by extension the fate of all of us.

Traditionally, in business, decision making has been the preserve of the owners of businesses and their appointed functionaries. The great management theorist Frederick Taylor, whose life and work spanned the early decades of this century, is reputed to have said that workers are hired from the head down. They were not, in his view, paid to think but to obey instructions. Up to the latter part of the Nineteenth Century, vital decisions about the pay packet, hours of work, and conditions of work, were almost entirely a one way process in even the most advanced economies in the

**... many times workers refer to the job as the slave. The employer or supervisor is by implication the slave driver. The period after work is referred to as black-man time.**

world. Not surprisingly, in the context of this "employer regulation", most decisions were made in favour of management. The advent of trade unions initiated a slow and at times painful process of change. But with only a small percentage of the world's workers unionized, it is not surprising that the majority of workers still take no part in decisions which affect their daily existence.

**There are four main consequences of this style of decision**

**making which directly influence work attitude. The first is depersonalization. Workers who lack autonomy and who must submit to the dictates, desires, and personal whims of a managerial class, find that their capacity to think, analyse and react to changing circumstances becomes irrelevant in the world of work. Placed outside of the decision making process, they lose their individuality and become anonymous.**

**Workers who lack autonomy and who must submit to the dictates, desires, and personal whims of a managerial class, find that their capacity to think, analyse and react to changing circumstances becomes irrelevant in the world of work.**

In a context of depersonalization, anonymity, and powerlessness, work loses any meaning beyond serving their immediate economic needs. Work is merely a necessary means to physical survival. There is no joy, no emotional commitment nor any serious interest in the job or the direction of the organisation.

## Motivation

The issue of motivation is intricately tied up with rewards and incentives, career development and the leadership example which management provides. A work attitude survey carried out by University of the West Indies' Professor, Carl Stone in Jamaica in 1982 revealed the following interesting facts:

- (a) Opportunities for promotion rank the highest among eight

major reasons given for considering enterprises as being good or bad places to work or for getting ahead in life.

- (b) The next highest factor or reasons given is the opportunity for educational advancement and skill training.

These two reasons combined are nearly as high as all other reasons put together. The third highest reason given is the wages paid by the

enterprise, dismissing views that Jamaican workers are mainly concerned with wages.

## Management by Example

It is not often realized that workers are motivated by example. Stone's survey found that a significant number of workers are motivated to work harder by the fact that their managers work harder. Years of acquaintance with the shop floor tell me that a lot of the lethargy and low productivity which is blamed on bad work ethic among the rank and file, is nothing more than the manifestation of low levels of industry, low levels of competence and low levels of innovation at the managerial level.

When Carl Stone asked workers about their areas of dissatisfaction with the work environment, worker-management relations were first on a list of seven major areas. Combine this with the observation that the leadership example of management is very important and you must conclude that the onus to motivate workers to produce more and better rests with good management practices and principles.

Therefore it is fair to say that with humanitarian managers, adequate rewards and incentives, good career development prospects and managers who display the example of hard work, the work force should be highly motivated to work.

## Integration with the Development Process

Workers have never ceased to be the true builders of wealth and capital. But at the same time they continue to be the least rewarded. It continues to be a dream for most

**In a context of depersonalization, anonymity, and powerlessness, work loses meaning. Work is merely a means to physical survival. There is no joy, no emotional commitment nor any serious interest in the job or the direction of the organisation.**

workers to own a home and other basic requirements of life. The main reason for this is the system which legitimizes the view that the worker is only incidental to the process, he only takes his labour into the organisation and is therefore not very important. All power is given unto those that have capital and the proceeds thereof.

I submit that such a view is wrong. The contribution of workers to the development process must be elevated to equal status with capital. Workers should be rewarded with mutual growth and development in the organisation with which they work. For productivity to increase, for work attitude to improve, workers should not have to see work as merely a means of survival.

We need to build a psychology on work, to elevate it to the level of importance it requires. But for this to happen work must be adequately rewarded, materially and morally. Good work ethic can only come from a work force which feels itself as having worth beyond being the "hewers of wood and drawers of water".

**..a lot of the lethargy and low productivity which is blamed on bad work ethic among the rank and file is nothing more than the manifestation of low levels of industry, low levels of competence and low levels of innovation at the managerial level.**

Work attitudes must be seen as derived from social and historical circumstances. Workers in the Caribbean who have had a history of economic exploitation, and who until the birth of the modern trade

levels of staff.

**Staff motivation therefore is achieved because workers develop an attachment to the organisation and are committed to its development. This principle will be evident through the rewards and incentive systems and opportunities for promotion and career development of the staff.**

The second suggestion that I would make is related to the first but goes a little wider. The regional trade union movement has been advocating for a long time a tripartite alliance between government, the employer and the trade union in the pursuit of mutually beneficial objectives. Improved work attitudes, increased output and productivity are one such objective and it should be vigorously pursued at both the national and regional levels.

As a region there is a very serious need for us to be more productive, more efficient and more competitive in our production processes. This cannot be achieved, however, unless we properly examine the work related problems that face us, emerge with a new com-

**there is a need to abandon authoritarian management styles in favour of consultative management.**

focus, takes a behavioural perspective. This behavioural perspective essentially views the organisation as a working team of people linked together in terms of ability and function, rather than in terms of office and rank. Decisions in this context are arrived at through consultation and discussion with the various

mitment to elevate work to the level of importance it deserves and are prepared to accommodate the diverse interests of employers and labour in the drive to progress. ■



# Waste not, Want not.



## Producing Bauxite and Alumina, Restoring Lands for Farming and Protecting the Environment

For years, Alcan researchers have weighed the "pros" and "cons" of alternative disposal methods for red mud - the by-product of alumina processing. In 1981 a variation on the dehydration process was chosen for Ewarton Works because of its non-polluting characteristics. In this capital-intensive, multi-million U.S. dollar project, red mud is thickened and the resulting slurry pumped to a disposal area for drying. Dried in sunlight, red mud does not re-slurry in rainfall, and can even be used as land-fill. Restoring mined-out bauxite land to productive use is another area of concern at Alcan. Over the years, the Company has diligently carried out its responsibility for the restoration of mined-out lands - for use as pastures for cattle, and other productive activities. At Alcan, concern for the environment is something we take very seriously.

### Alcan Jamaica Company

Division of Alcan Aluminium Limited (Inc. in Canada)

Quietly Achieving Important Goals  
A member of the Private Sector Organization of Jamaica



# KLAS FM

Central Jamaica 89.3  
North Coast 89.7  
Kingston & Corporate Area 89.9



Michael Anthony Cuffe  
**SUNNYSIDE UP**  
Monday-Friday 5-8:30 a.m.



Monica Johnson  
**Tapestry**  
Monday-Friday 8:30-10:30 a.m.



Wilmot Perkins  
**STRAIGHT TALK**  
Monday-Friday 10:30 a.m.-2:30 p.m.



**"THE JOURNAL"**  
Monday-Friday  
5-6 p.m.

**MORNING REPORT**  
6:45 a.m.

**NOON REPORT**  
12:00 midday

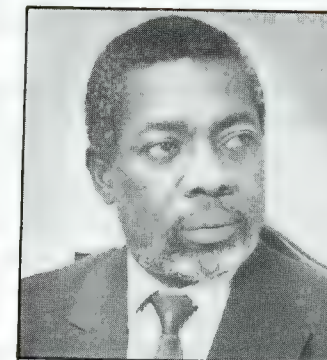
**EVENING REPORT**  
6:00 p.m.

**THE JOURNAL**  
5p.m.-6:00p.m.

HEAD OFFICE  
19 Caledonia Rd., Mandeville  
Telephone 962-2002-3; 962-2215-7 Fax 962-2004

KINGSTON OFFICE  
41B Half Way Tree Rd., Kingston 5  
Telephone 929-0759, 929-1346 Fax 1345

## Communication In Business



By Keith Brown

The growth in the number of Public Relations and communication consultancy firms, as well as the emergence of an increasing number of practitioners, indicates that we in the Caribbean are beginning to understand a little more clearly, and to accept a little less cautiously, the significance of the communication function in the world of business.

The difficulty in the past, I think, has been with the meaning of the term Public Relations - with its attendant problems of definition of the role and function of the practitioner. To put it simply, precisely what is Public Relations, and what does the Public Relations person do? Indeed, as some businessmen have been known to ask: "What can the Public Relations person do?"

I do believe that we have, happily, grown beyond the point of viewing the communication practitioner as the person who "passes around sweets," both literally and figuratively. Or, as the former pressman or woman who has maintained contact with the media, and can usually get a

Keith Brown is a Communication Consultant and part-time lecturer in Public Relations. He has worked in the field for over thirty years and runs his own consulting firm Brown Ray and Associates (International) Ltd. in Kingston Jamaica.

press release published after a telephone call to a journalist buddy

But are we all yet convinced of the importance of communication as an arm of business management? Do we really see communication as a subtle and demanding exercise in the philosophy and techniques of human relations, a subtle and demanding exercise which is part and parcel of the task of developing and maintaining a company's economic viability?

Very often the differences between employees and management which trigger industrial action - or perhaps more appropriately "industrial inaction" - are not industrial relations problems per se, but are deeply rooted in a failure of the communication process.

### Industrial Action

When the employees of a company strike, is it merely because of the failure of the company to meet some specific item of claim or is it because the reason why the claim is not met is not clear to them? Could it be that they feel that management could meet the demand but is not

**Why don't workers believe when their employers set out all the difficulties they are experiencing in an effort to explain why they cannot meet wage demands?**

being completely honest about its financial position?

Why don't workers believe when their employers set out all the difficulties they are experiencing, in an effort to explain why they cannot meet the wage demands? Is it because employers never really attempt to talk to the employees between negotiations, and never made them feel a part of the firm and

its decision making process? Is it because the firm has no long term policy for internal communication, or perhaps no policy for internal communication at all?

The point is that a great deal of the worker-management problems which occur in an organization are not what they seem. There is frequently a hidden agenda. Often what appears on the surface to be a straightforward issue of economics, has to do with a legacy of deep-seated mistrust and resentment which has festered undetected within the organization for a long time.

Considered in this context, then, Public Relations becomes a complex behavioural science and not just decorative press agency. It is - unlike the Hollywood image - based on truth, and functions most effectively through the unrelenting and continuous dissemination of that truth in order to be convincing and to gain acceptance. It carries the potential not only to assist corporations and public sector organizations in informing the public but in assisting the management of such organiza-

tions in communicating with their work forces. Under such circumstances access to the press is virtually irrelevant.

### Changing Realities

Leading practitioners in the field have maintained that there is no time in our history when good Public Relationships have been more es-



sential, more demanded, or more influential. To help management in serving this need, the Public Relations Executive will require more knowledge, a greater sensitivity to issues, an increased ability to anticipate and assess change, better command of research, and a willingness to measure effectiveness and be accountable for results.

Public Relations professionals can be credited with opening avenues of communication between the customer, the public, the media, and management. They have been largely responsible for educating the public to better health, nutrition, safety, child care, good buying habits, consumer rights, economic literacy, career education, and political and social issues.

The world of business, then, is changing and consonant with the changing realities the discipline of Public Relations has evolved, expanded and altered its focus. Furthermore it will continue to do so because inherent in the practice of Public Relations is the necessity to change and adapt as need requires.

Today the practitioner must be able to look at the total communication picture, to know that it is not merely through the obvious media of newspapers, magazines, radio, and TV that much of the reputation of the organization is projected, but through every aspect of the company, its products, its services, and above all, its people.

The base of knowledge of today's corporate practitioner needs to be broad because the problems are broader and more complex than they ever were. The less obvious but perhaps more important point is that the corporate communication con-

point is brought home very starkly by comparing the time frames of the professional communicator (Public Relations practitioner) to that of two other corporate functions - Sales and Advertising. The effect of sales promotion should be virtually immediate; the effect of advertising can be measured in weeks and months; the effect of Public Relations, properly conceived, however, is to be measured in years.

---

**Enlightened organizations understand that they are morally and ethically compelled to tackle societal problems, especially where their solutions may be pursued as a logical extension of corporate activity.**

---

### Business and Society

Public Relations and communication, then, have become closely intertwined with traditional areas of Management to assist in making crucial decisions that affect business and society.

It has been taken for granted historically that our business community should apply physical and human resources in a manner which is consistent with the perennial objective of improving the bottom line. More and more, however, progressive organizations are coming to realize that their pursuit of corporate and organizational objectives cannot be divorced from broader societal or public concerns.

Enlightened organizations understand that they are morally and ethically compelled to tackle societal problems, especially where their solutions may be pursued as a logical extension of corporate activity.

---

**Public Relations and communication have become closely intertwined with traditional areas of management to assist in making crucial decisions that affect business and society.**

---

sultant must take a longer term view of his role than must most other publicity oriented professions. The

Progressive businesses develop philosophies of corporate philanthropy, and structure

programmes of corporate giving so that these programmes are specifically responsive to major public needs. I would even venture to propose that we have arrived at that point in time when corporate objectives must be assessed in terms of their impact on the future quality of life of the entire host society.

I am always proud that while an employee in the Jamaican bauxite/alumina industry, I was able

to witness and share in these pioneering approaches to business that have not only given stature and credence to the industry but have shown the positive possibilities and the mutual benefits to be derived from a progressive Public Relations oriented approach of multinationalism. The bauxite/alumina industry was faced with an extremely difficult task, but by and large management took an approach which has made it a glowing example of commitment, concern and co-operation for over forty years.

In 1980-1981, the Bauxite/Alumina Industry in Jamaica was at one of its most flourishing and productive periods. Within a few months the entire scenario changed, and the industry struggled to survive a worldwide economic recession that impacted very negatively on the industry. The rapidly unfolding crisis demanded the attention of all areas of management in the industry, including the communicators.

Did we foresee these changes? How did we assess them, what advice did we give to management? How did we handle the process of communication to employees, to the Government and to the people of Jamaica?

We hope that subsequent evaluations will show that the industry has been well regarded in Jamaica for as long as it has, because there was, and is, an understanding of the issues involved, and a determination to put up a good fight for the preservation both of the industry and the economic welfare of the country.

### Functioning Professionally

Three areas in which the Public Relations practitioner needs to be expert and intelligent in order to function professionally today, are:

- Understanding the nature of today's top managers.
- Understanding the true nature of the publics. The true nature is in fact quite different from the conventional wisdom about them.
- Understanding changes in the communication process that substantially alter what we need to do.

First, consider the nature of today's top managers. The first point to note about top managers is that they are at once *generalists and specialists*. Top managers are very different from each other, but almost all have one thing in common. They are professional managers. They were attracted to business. They were trained to be managers. They succeeded in school and on the job because they met the criteria for professional management. That means they are oriented to tangibles - facts, numbers, the bottom line, accountability, measurement. That is why they are successful.

The CEO is supposed to be a generalist who filters the knowledge of many specialists, weighs all sources, and makes decisions. To add

breadth to his initial specialization, he has probably moved around and performed a range of the more specific functions of management on his way up.

But this is where we can make a major mistake. He is a generalist in the sense that he must co-ordinate all the various managerial functions necessary to run a company - but he is really a specialist. He is a specialist in running a specific company in a specific industry or group of industries. In the total world in which business has to operate today he is a specialist - and probably a pretty limited one at that. He is as limited as a specialist in finance when faced with personnel, transportation, labour relations or other matters. He is probably not knowledgeable or skilled in the world of religion, in education, in women's interests, in the youth culture, or a dozen other major aspects of the total world.

That nature of top managers is the real condition Public Relations

---

**The base of knowledge of today's corporate practitioner needs to be broad because the problems are broader and more complex than they ever were.**

---

practitioners must deal with. We must be management-oriented so we can gain the confidence of top management and understand its needs. We have to satisfy management's demands for measurability and accountability but not settle for it.

Now for the true nature of the public. A principal fact about today's public is that it is splintered. We now recognize that our political parties and our labour unions no longer are cohesive and cannot represent the total viewpoint of their members, simply because these are so varied. The same is true of most other groups. Even individuals display divergent perspectives on different issues. For instance, you will find that many people are conservative actors on money matters, have

moderate opinions on community affairs and are liberal thinkers on sex.

So we cannot globally and simplistically mark down any public today as a target. We have to be much more analytical, examine its various elements, and develop programmes that will work with each, and not backfire.

Many practitioners have a class of public they label "opponents." These are basically persons who would be naturally inclined to have a different opinion from the public relations practitioner of the organization's management, and are thus the target for a persuasive exercise. But opponents fall into at least four categories:

- Advocates, who propose new actions or modifications of existing ones.
- Dissidents, who are almost inherently opposed to and direct their criticism toward the client organization.

- Activists, who push for something to be done: legislation, regulation, boycott, or the like.
- Zealots, who are absorbed with one issue and cannot be reasoned with or changed.

Obviously, no one approach can be effective with all of these; and treating them all alike can create enemies where none existed before. You cannot deal with a zealot by direct confrontation or argument. You can only whittle away the support he depends on from those around him. Treating a zealot as though he were an advocate is futile; and treating an advocate as though he were a zealot can be disastrous.

We also underestimate one of



our most distinctive traits - our ability to find ways around rules or barriers. We've all seen it in our loopholes, the escapes, the tricks that people can come up with to avert those trends and confound our efforts.

Our penchant for tabulating and classifying can create other errors. We hear a lot about the extreme individualism and self-centredness of people today - "The isolation of self" - but we have an explosion of co-operative groups concerned with pollution, hanging or opposition to hanging, and so on. We have anti-social individualism on the one hand and on the other a boom in new religious groups, accompanied by a startling propensity for submitting completely to strange

process. But while there are major dynamic and positive changes, there are also factors are also elements that are extremely static.

### Reading

A large percentage of West Indians today either cannot or will not read. While literacy is on the increase, willingness and ability to read have been decreasing rapidly. Willingness to read more than fluff and gossip has been declining even faster. We now have thousands of people with certificates saying they've been through high schools who will not think as well as a 12-year-old is supposed to, and who never open a book or read any publication more profound than True Confessions, Mills & Boon, or the

**A large percentage of West Indians today either cannot or will not read. While literacy is on the increase, willingness to read and the ability to read have been decreasing rapidly.**

cults. Are West Indians self-centered and pulling away from others, or are we susceptible and subject to being swept up in causes and cults? The answer is both, and we have to factor that into our views about them.

These complex changes are both the effect and the cause of some

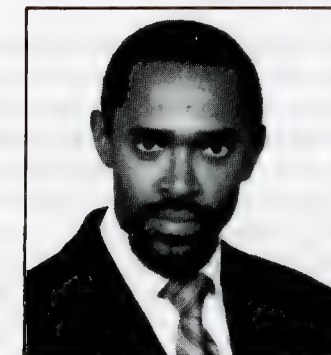
key changes in the communication Enquirer or the Bomb. Millions of people distort what they read. They also distort whatever they hear. That is what accounts for millions of people still not knowing that there really is an energy problem, or what may be the consequences of attempting to circumvent every form

of fiscal control.

In the neatly packaged world of the tough minded, it may be assumed that if people are out there, you can reach them with messages. That has always been too simplistic - and it is getting less and less accurate all the time.

We have, as a profession, much to say that needs to be heard, by business, and by those people we call our public. But here I must caution my colleagues in the profession. We must announce only what we are ready to do, and are capable of doing. The social risks of over-expectation are perilous. To avoid them, it is our responsibility to communicate to the region the realities, the restrictions, and the requirements of the problems we face. All of us must see these problems in proper perspective, and we must help establish priorities for their solution. Let me hope that businesses and Governments in the Caribbean will even more effectively utilize the skills and the techniques of professional Public Relations, as we continue to strive for a better world.

## Cost Effective Hiring



By Noel M. Cowell

The great leaders in history had one fundamental thing in common; they were able to attract and inspire others to assist in the achievement of their goals. The same is true of those who are and hope to be leaders in business. Traditionally, businessmen focus on the proverbial bottom line. But more and more they are coming to realize that without people there would be no bottom line. One may very well say that people are in fact the bottom line, because regardless of how far technology advances and how automated the work place might become, it will never be possible to exclude human beings entirely from the process of production.

This means that the whole business of managing the human input in the production process is absolutely important. The entire process begins with hiring. But if vacancies are filled with unsuitable or unproductive people, if people are not developed when they arrive or if circumstances combine to make it impossible for them to stay, then the hiring process will be unsuccessful and the business will itself ultimately be unsuccessful.

The experts caution that there is a lot more to hiring than merely putting a body in a job. Speaking of the United States in 1977 Edward Stanton observed:

Noel M. Cowell is a lecturer in the Department of Economics, University of the West Indies, Mona.

The quality of a company's personnel is frequently the single factor that determines whether the organization is going to be successful, whether it will realize a satisfactory return on its investment and whether it will reach its basic objectives. Indeed if proper personnel selection was vital when [the country] was predominantly a production oriented economy, it is even more important now that the major part of [its] national product has its source in rendering services.

The matter of attracting people to an organization, selecting the right ones, ensuring that they work under conditions conducive to their development, that they are productive, that they develop and wish to remain as employees is what the process of personnel management is all about. And this important process begins formally with the three related processes of recruitment, selection and placement.

Recruitment (a term often used but infrequently defined) is the process of attracting qualified people to an organization. Recruitment lays the basis for selection, which is the identifying of the most suitable applicant and persuading him to accept a position with the organization.

### How You Recruit

A large number of factors influence the recruitment process. First and foremost is the character of the labour market, the kinds of skills available, the prevailing rates of pay, and the volumes in which such skills are available. The organization itself may also be a factor. Some organizations find recruitment easy. They have a high visibility, and may have a sound reputation for human resource development and a reputation for good pay and job stability. Others are just the opposite and the recruiter will have a great deal of difficulty attracting qualified people.

These factors plus others, such as the type of employee one is trying to recruit, may influence an organization's decision as to what approach to take to the recruitment process. Broadly speaking the choice is between doing it yourself and having your recruitment done by a firm which specializes in this type of activity.

**CAMPARI**

*and Orange Juice*

*It's Fantasy*

ESTATE DISTRIBUTORS...  
EXCLUSIVE AGENTS

Purveyors of Fine Wines,  
Spirit and Liqueurs

232 Spanish Town Road  
Kingston 11.  
Tel: 92-37463, 92-38830  
Fax: (809) 92-37525

LOJ Commercial Complex  
Freeport Montego Bay  
Tel: 95-28371.

We have the best prices in

Stationery for Offices & Schools  
All Types of Ribbons---Typewriter & Printer  
Fax Rolls etc.  
10-15% discount for Institutions & Schools.  
Wholesale Prices can also be arranged.

**GI Creative Graphic Impressions**

A CREATIVE PRINT PRODUCTION COMPANY

30 EASTWOOD PARK ROAD KGN 10  
TEL 929 6014 929 2091



Most organizations in the Caribbean still do their own recruitment. Indeed the entire hiring process is often given over to people who have no training in the area and have little or no real insight into the importance of this process to the organization. This approach however, can be extremely damaging. Not only can it lead to the wrong persons being selected, but an improper approach to interfacing with people can seriously impair the image of the organization. This is especially true where one is dealing with bright, talented and insightful recruits.

**If vacancies are filled with unsuitable or unproductive people, if people are not developed when they arrive or if circumstances combine to make it impossible for them to stay, then the hiring process will be unsuccessful and the business will itself ultimately be unsuccessful.**

For example, a person who responds to an advertisement and who is not being considered for a job ought to be informed promptly and politely. Similarly, if there is some delay in processing the application, then the candidate should be informed of this. Failure to observe these apparently minor courtesies may give an impression of detachment and inefficiency. The same applies to the situation in which individuals are invited for interviews. Candidates are not impressed by recruiters who keep them waiting for an hour while persons file in and out of the recruiter's office. This creates an impression of sloppiness and inefficiency.

### **The Organization**

Organizations which take the do-it-yourself approach tend either to recruit through advertising in newspapers, by word of mouth, or from a pool of applicants compiled from unsolicited advertisements. Larger organizations which make use of tertiary and secondary graduates would also recruit directly from the schools through employment fairs and other facilities provided by the placement and career counselling sections of these institutions.

When an organization is small, has capable personnel specialists and fairly basic needs, the do-it-yourself option may in fact be appropriate. If however these conditions do not apply then the organization may wish to consider using a recruitment firm.

The major factor underlying the choice of options tends to be cost. It is generally felt that doing one's recruitment in-house will save money. Most organizations, however, only see recruitment cost in terms of the dollars they have to shell out for advertising, as compared to the amount they have to pay to a search firm or

employment agency. Few stop to analyse the full cost of recruitment, and to recognize that it covers not only the cost of advertising but a host of other "invisible charges".

A proper assessment of recruitment costs must take into account not only the time and money spent advertising, but the time that must be spent by personnel specialists screening and interviewing. Depending on the position, the response to a newspaper advertisement can be tremendous. Regrettably, however, a large number of these applications must simply be discarded. If the organization has a policy of replying to all applicants (as it should) then the use of time and other resources can be significant.

Once a short-list of applicants has been selected, the business of reference checking can be time consuming and can in fact demand greater expertise and greater investigative powers than the average personnel department can muster. As a rule, in-house recruiters seem to go through the process without much conviction. Reference checking comprises simply of a routine questionnaire sent out to listed references. In many cases prospects for middle and lower order positions are employed whether or not their referees have responded. On the other hand, the good executive search firm has well established and thorough systems for checking on references, as they must, since their livelihood depends on it.

The interviewing process can be long and involved, and in addition to that of the personnel specialists, can consume the time of other highly paid executives including the person to whom the prospective employee is likely to report.

What is even more significant is the cost of turnover, which may come as a consequence of making mistakes in the recruitment and selection process. Turnover costs include:

- (a) the cost of premature separation
- (b) the cost of training and
- (c) the cost of finding a replacement.

These costs must be added to the initial cost of hiring, when the individual initially selected does not turn out to be appropriate. Taken together and depending on the specific circumstances these costs can be enormous.

Typically, employers hire workers provisionally. In other words provision is made for a three month probation period during which time either party may sever the contract without obligation. In many cases it takes at least that time for a worker to get adjusted to the work situation. During that three month period, the employee's level of productivity may be marginal and this may in fact be costing the organization in terms of salary, the need for training and the fact that the job is not being done.

# **WITH THE COMPLIMENTS OF**



## **Cigarette Company of Jamaica Limited**



The problem is usually compounded by the fact that separation, even under these circumstances, is fairly traumatic. Employers are rarely anxious to dismiss a worker who, after this initial probationary period, fails to perform in a satisfactory manner. This is so, not only because dismissal is stressful, but because dismissal at this point will require the admission that there is a fault in the selection process.

If the employer fails to sever the relationship at this point, however, the process can be more costly. The worker may remain for years as an unproductive, obstructive square peg in a round hole. By the time his dismissal becomes inevitable, serious damage may have been done to organizational objectives, and morale. Worse the employee's own development may have been stifled.

### Type of Recruitment Firm

Given these potentially large "invisible" charges, organizations may wish to consider giving the job of recruitment to a specialist recruitment firm. In making the decision, there are of course other factors to consider aside from cost. For example there is the matter of confidentiality: an employer may not wish potential applicants to know what organization they are applying to. Also the organization may not have a trained human resource manager at its disposal.

In more developed countries, organizations can seek assistance from different types of recruitment firms. Firstly there are employment agencies which will normally maintain a pool of job seekers who pay a fee to the agency for finding them jobs. An employment agency will usually be happy to provide a recruiting organization with a list of candidates through which the employer will then have to sift. In these circumstances, however, virtually the entire onus for screening rests with the recruiting organization. The only advantage of such a situation is that it relieves the employer of the responsibility and cost of advertising.

In most Caribbean countries, unemployment is perpetually high. There is a large number of people competing for available jobs. This makes the likelihood that an employment agency may find a job very low. Job seekers have therefore learnt that giving their money to an employment agency is the type of investment which brings little returns. In general employment agencies attract only the most marginal job seekers. It follows that in the regional context this is not a useful source for potential recruiters.

A number of international management consulting firms have offices in major Caribbean territories. Over the last decade or more they have developed departments which specialize in what is called executive search. This facility developed as the firms shift from financial management per se to broader areas of business consult-

ancy. Such firms may retain a staff of specialist recruiters who will, in return for a fee, advertise a position, take care of the entire screening process, and pass on to the employer a selected short-list of candidates. The advantage of such an approach is that it preserves the anonymity of the recruiting organization, and it eliminates the problem of the organization being inundated with applications. The major advantage, however, is that the employer will get the benefit of the agency's specialized knowledge of the recruitment process and of the market for a particular skill.

In the North America market where such activities are popular, there are basically two ways in which executive search firms are paid. In one case the agent is

**Candidates are not impressed by recruiters who keep them waiting for an hour while persons file in and out of the recruiter's office... this creates an impression of sloppiness and inefficiency.**

typically paid a retainer, plus a fee amounting to a percentage of the projected pay package for the first year. In the case of what are known as *contingency search firms*, payment is contingent upon a successful hiring.

### Using an Executive Search Firm

If you are using a firm to conduct your recruitment, it is necessary to ensure that you are getting your money's worth. To stand a good chance of being successful, the search firm must know your organization and the market in which it operates. In this respect general consulting firms, especially those which have a specialist department in Human Resource Management, have an advantage. Other firms may do nothing apart from recruitment, but may lack the resources to carry out any detailed research into labour market trends. They may also lack the range of contacts to provide you with the best possible set of choices.

Having established that you will use a search firm, it might be worth your while to carry out a brief investigation into the background of the firm, to get a sense of how it approaches its business, a sense of what guarantees it offers, or what the likelihood of success is. You may, for example, carry out the simple exercise of asking a few of your colleagues in other organizations who they have used and with what results.

### Working with the firm

Having selected a firm, the manner in which you work together at the start, becomes very important, and will be a crucial determinant of the success of future working relations.

Like any thorough job of consultation, recruitment comprises three phases. The first phase involves *re-search*. At this stage the search consultant will spend some time learning about your organization, its needs, its working philosophy, and aspects of the corporate culture. He will pay close attention to the position that is to be filled, in order to appreciate where it fits into the organizational structure, and he will seek to determine what are the reporting relationships and what the organization hopes to achieve through the applicant. Finally the firm will prepare a complete job description and pass on to you for approval.

The importance of this phase can be easily underestimated, but it is crucial especially when the firm is searching in a tight job market for skilled candidates who have numerous employment options. In such circumstances the employing organization will have to be sold to the employee. A prospective employee will have to be shown why he should leave a job where he is performing a similar

**As a rule, in-house recruiters seem to go through the process of reference checking without much conviction**

function, and earning a satisfactory salary under secure conditions to undertake this new venture.

The next phase is the search phase. It could be that from the first interview with the employer, the consultant begins to develop in his mind a short-list of possible candidates. However, the search process logically begins after the client's needs have been properly established. Search essentially involves identifying and making contact with potential candidates.

Once a short-list of potential candidates has been prepared, the process of evaluation begins. A full appraisal of educational achievements, previous career trajectory, ambitions and career objectives, is derived for the short-list of potential candidates. This process yields a few prospects which are referred to the client for final approval. If the recruiting firm has done its job well, you should have no difficulty selecting and placing from the submitted list of candidates.

### Tracking the Cost

Whether you do the recruitment by yourself or you seek the assistance of the executive search firm, you will need to keep in mind the cost effectiveness of the process. This can be done with the assistance of some simple ratios.

As we have indicated, many organizations in the Caribbean elect to do their own recruiting. Among the methods employed are employment fairs, employee referrals, newspaper advertising, and "walk ins". In addition some organizations receive a fair number of un-

solicited applications. Newspaper advertising employment fairs and employee referrals may be seen as active recruitment. Unsolicited applications and "walk ins" may be viewed as passive recruitment. The method of employee referrals lies somewhere in between since the initiative may come from either direction. When it comes from the direction of the employer it is active. On the other hand if an employee makes a referral in an effort to find a job for a friend or relative, then this falls under the heading of passive recruitment with the attendant cost implications.

### Cost/Salary Ratio

In the area of active recruitment perhaps the most frequently used is newspaper advertising. For large organizations especially, it is important to know how much this advertisement is costing and to arrive at some measure of the success of the effort.

There are several ways of assessing the cost, the suitability of each varying with the peculiarities of the organization or the objective of the recruiter at any given time. One method is to calculate the ratio:

Cost of Advertisement

Average salaries of new intake

The ratio is illustrated by the example below:

	<u>Example 1</u>	<u>Example 2</u>
Advertising cost	\$5,000	\$6,500
No. of new intakes	10	5
Average Salaries	\$50,000	\$32,000
Ratio	.10	.20

Note that the ratio can be affected by the type of worker who is being recruited. If one is recruiting top level personnel, the cost will normally be higher than the cost of recruiting more junior personnel. So in fact will be the salaries. Higher cost will tend to push the ratio up, while higher average salaries will tend to keep the ratio down. The ratio then, is best used if it is restricted to clearly defined homogeneous groups. For example, one may define a ratio for secretaries and for clerical staff, and another for production workers. But it makes little sense to create a ratio which encompasses senior management personnel with factory workers.

A second factor to look for is the unexpected variations in the ratio as a result of unforeseen circumstances. Let us suppose, for example that two key maintenance workers suddenly quit and the Personnel Department is called on to find replacements immediately. Because of the urgency and the corresponding intensity of the process, the cost of search may go up and the ratio may



be correspondingly larger for that period. The experts thus caution that in using this cost ratio, one should make provision for unusual variations brought about by peculiar circumstances.

### Comparing Advertising to Other Costs of Recruitment.

An employer may find it convenient to compare the cost of different methods of recruitment. For example if the total recruitment cost for the year is \$50,000 and the cost of advertising is \$35,000, then advertising represented 70% of the cost of recruitment. This can be easily compared to the percentage of successful applicants coming from advertising. Suppose 90% of the successful applicants came from advertising then this may lead you to reconsider the effectiveness of other approaches in relation to advertising.

### Response Rate

For companies which advertise in the newspapers, a useful statistic may be the advertisement response rate:

Number of responses

Number of advertisements

If you advertise for ten days in two daily newspapers and you receive 200 replies then you arrive at a value of:

$200/20 = 10$

That is ten responses per advertisement. Such a ratio is useful for it gives you not only an indication of the effectiveness of newspaper advertising as a means of recruitment but a simple index of labour market tightness. A low response rate may mean that newspapers are not a very good way of recruiting for this particular type of skill or that the availability of workers of this type is low. If you have reason to believe that newspapers are a good way to recruit this type of skill then a low response is a clear indication of labour market tightness. You may also find this ratio useful for comparing the effectiveness of advertising in a specialist medium such as the *Caribbean Labour Journal* with the more scatter-shot approach of advertising in the daily newspapers. For this to be meaningful however you would have to look at the number of qualified applicants per advertisement. A newspaper with a massive circulation would be expected to reach a larger number of people and elicit a greater response. On the other hand a medium such as the *Caribbean Labour Journal* would target specific people and the quality of the response would therefore be expected to be higher.

### Cost per Response

Suppose the cost of advertisement for the ten days was \$1,000, then:

Cost of Advertisement	=	\$1,000
No of replies	=	200

The cost per reply is thus \$5.00.

More importantly you may wish to have an idea of the cost per *successful* applicant. In this case if 100 applicants were successful then the cost is  $\$1000/100 = \$10.00$  per successful applicant. Finally for completeness you may wish to note that the percentage of successful applicants was  $100/200$  which is 50%.

Recruitment then, is not only a crucially important human resource function, it is also one which involves a great deal of (often hidden) cost. Your performance as a recruiter can be improved if the full complexity of the problem is appreciated and if the right approach is employed. ■

### References

Deland, Rawle (1983) "Recruitment" *Personnel Journal* Vol 19 # 6 July 1983, pp 458 - 463.

Fox, Harold W. (1983) "Better Hiring Decisions", *Personnel Journal* Vol 62 # 12 December 1983

Stanton, Edward (1977) *Successful Personnel Recruiting and Selection*, AMACON, New York



### PRODUCTIVITY PLUS LTD.

41 Lady Musgrave Road, Kingston 10

Telephone: (809) 978-0958/924-2994

Contact: Ilsa H. duVemey (Mrs.)

### THE ORGANIZATION:

- We are a Human Resource Consultancy Firm in search of Excellence
- We develop people using Interactive Processes
- We tailor-make courses to meet needs
- We aim to remove barriers and limitations
- We focus on attitudes
- We market motivational material
- We assist people to win

### WE SPECIALIZE IN:

Positive Results and Optimum Human Resource Management/Development

## Resumé Checking

Executive search specialists point to a number of areas to watch out for when checking resumé.

### 1. Education

In house recruiters rarely doubt it when a prospect claims high academic achievement especially when observable characteristics tend to support it. It is however, a simple matter to verify this from the universities or colleges concerned.

### 2. Employment Gaps and Hidden Jobs

People may not want you to know about extended periods of unemployment or jobs from which they were fired. Gaps may therefore appear in the resume or they may claim to have been consulting. Look out for gaps in the resume and talk to previous clients.

### 3. Big Jobs

A candidate may come to you trailing an impressive list of jobs titles. You must get behind these titles, in order to get a full sense of what the candidate's responsibilities were in each job. This may work both for and against the candidate. Some very unassuming titles mask very impressive responsibilities. On the other hand someone may have had responsibility for a number of tasks but delegated each one and knew nothing at all about how they were executed. Try and get behind the job titles.

### 4. High Salaries

Beware of inflated salaries. If the previous employer will not divulge salary information, a compensation and benefits survey will help.

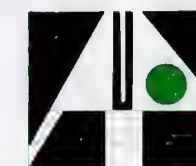
### 5. Reasons for Leaving

Carefully verify that a resignation is in fact a resignation. Try and understand the reason for a dismissal. If someone is made redundant, find out why. If it is not a case where the employer went out of business it is useful to know why it was not possible for him to fit into a restructured organization. Again there is a positive and a negative side to this. The reasons for leaving one organization may provide excellent qualifications for joining another.

# LAND IS A VALUABLE RESOURCE

We are specialists in:

- Valuation Surveys
- Property Management
- Real Estate Sales & Rental
- Project Research
- Project Planning



Allison • Pitter & Co.  
CHARTERED SURVEYORS

1 Tremaine Road, Kingston 6.

Tel: (809) 927-4724/927-9133



# HOUSING AS A COMPENSATION ITEM



By Benthan H. Hussey

Compensation is defined as payment received in exchange for work done. Depending on the company, the industry or economic sector, it includes a range of items which are conveniently categorised under the headings of basic salary, taxable and non-taxable allowances, welfare provisions, performance related items and other benefits.

Compensation policies and practices have always been of interest, at least to those most affected by them, the employee and the employer. Over the last 15-20 years, however, compensation policy and practice in Jamaica have attracted considerable attention from various interest groups. Among these are the general public, employers, employees and their representatives, and multi-lateral agencies, particularly the International Monetary Fund and the World Bank. This increased interest is the result of a number of developments, chief of which are:

- The relatively strong inflationary pressures experienced since the early 1970s.

Mr. Hussey is a Manpower Research and Development Consultant.

- Government's anti-inflationary measures, particularly the wage guidelines regimes, which have been in operation since 1975.
- Agitation by trades unions for improved benefits for workers.
- Initiatives of individual companies to compete for competent and scarce skills on the market.
- Initiatives of individual companies to improve the lot of their employees.

These developments have placed the subject of compensation high on the industrial relations agenda. As a consequence of this, a lot of research work has been done and is being done, private and public, industry by industry and across industries, to ascertain:

- The market cost/value of labour
- The structure of compensation
- Trends and developments in compensation, etc.

## Housing

It is against this background that this article is written.

Housing as a benefit or as part of the earnings package has traditionally been the preserve of small groups of senior management or of special categories of workers in specific job settings. Expatriate workers, particularly at the senior executive and senior technical levels, and university lecturers, for example, traditionally enjoy housing benefit as part of their earnings

package. In recent times too, companies have been offering locals in senior management positions, chief executives in particular, company house or rental as part of their compensation package.

Housing merits discussion because, in recent times, employees, employers as well as policy makers have been focusing on it as a specific item. Its currency derives from the following:

- The demand for new and improved housing units far outstrips their supply or availability. According to the Planning Institute of Jamaica (1990), "Approximately 15,000 units of new construction and 9,700 upgrades are required annually to meet Jamaica's housing needs by the year 1996. More than half of the new units are needed in the Kingston Metropolitan Area (KMA), while the vast majority (85 per cent) of upgrades are required by rural households."
- The shortfall in supply and the persistent high inflationary conditions, have, over time, effectively increased rental and mortgage rates beyond the ability of the majority of workers. The 1990 national Labour Force Survey reveals that 80% of Jamaica's 1.6 million work force earn income of J\$150 or less on a weekly basis, or \$7,904 annually.
- According to the Building Societies Association of Jamaica (1990) affor-

Since official statistics place some 85% of Jamaican income earners below the \$25,000 *per annum* level, it would seem that no more than a miniscule percentage of the population could contemplate the ownership of a two bedroom basic housing unit.

dability is a major constraint, as the majority of Jamaica's population cannot satisfy the income requirement to service the mortgage for a basic unit. To demonstrate this point, the BSAJ showed that in 1990, a basic two bedroom unit of 770 sq. ft. was costing approximately \$340,000. Assuming a 90% mortgage, the monthly repayment was in the region of \$5,000 which would require the borrower to be earning a minimum of \$15,000 monthly or \$180,000 *per annum*. Since official statistics place some 85% of Jamaican income earners below the \$25,000 *per annum* level, it would seem that no more than a miniscule percentage of the population could contemplate the ownership of a two bedroom basic housing unit.

- The population census of 1982 provides some revealing statistics on household tenure. At the time there were 517,297 households in Jamaica. The type of tenure of 56,751 was unknown. Of the remaining 460,546, only 241,616 or 52% were owned. This means that at least 48% of households were either privately rented, leased or otherwise occupied. Home ownership is therefore not a reality for the majority of workers. The crucial issue has been, and still is, affordability.

- According to Statistical Institute of Jamaica (1984) consumer expenditure pattern indicates that housing and related expenditures have increased significantly, in step with the growth in housing cost. "During 1975-84, there was considerable increase in the percentage of expenditure on Housing and Household Operational Expenses, Durable Goods and Fuel and Household Supplies, to compensate which, there was a sizeable decline in the percentage of expenditure on Personal Care, Health Care, Transportation and Miscellaneous groups."

**Most organisations in the formal sector of our economy, public and private enterprise alike, have, over the last twenty years, incorporated some form of welfare provision in their compensation systems.**

These realities have literally forced the interest groups, employers, employees and Government, into developing a new perspective on the subject of housing for workers. Since the mid 1970s, various initiatives have been taken to alleviate the problem. Most notable of these initiatives are:

- The National Housing Trust (NHT) fund, to which both employees and employers contribute. This fund was initiated by Government, mainly to assist low income earners in owning their own homes.

- Various portfolio mixes involving employers, employees, the NHT and other financial institutions to provide housing solutions.

Both of these initiatives demonstrate the mutual involvement or participation of employees and employers in the search for housing solutions. However, since the former is a statutory initiative, it is the latter that I wish to dwell on.

## A New Thinking

The treatment of "housing as a compensation item" has to be placed in the context of the progressive evolution of human resource management in our part of the world. Most organisations in the formal sector of our economy, public and private enterprise alike, have, over the last twenty years, incorporated some form of welfare provision in their compensation systems.

The extent of the provisions depend on the organization. But whether it is a private or public entity, the compensation package will contain all or a mix of health insurance (medical, dental and optical), pensions, and life insurance for its employees and, increasingly, for their dependents. Of the over ninety private sector companies I surveyed in 1990 only 10 had no health or life insurance provision for their staff.

These provisions clearly indicate a change from the harsh human resource management practices of the post-emancipation period lead-



# Always give Perfection



## 8 TROPICAL YEARS Jamaican Rum

Perfectly blended  
and aged, Wray & Nephew's  
8 Year Old Rum is a gift  
always appreciated.

*Perfection!*

*Wray & Nephew*

ing into the 1960s. They constitute something of an inward look at the human element in the production process, away from the exclusively outward/profit motive. To be sure, this change has been due as much to trade union representation as to enlightened employment practices and Government policies. It should be noted, though, that the change of which we speak is not complete, the majority of workers, particularly those from the informal sectors and in agriculture, are still to enjoy these benefits.

Three considerations seem to be behind the introduction of welfare provisions for workers. One is a humanitarian consideration, backed by the International Labour Organisation, that all humans have a right to food, clothes and shelter. The second is the growing recognition that the human resource of the firm or organisation is of greater importance than the material resources. Various management theories have evolved over the last 30 or so years attesting to the positive relationship between the level of motivation and satisfaction of the worker and his performance.

.....with the growing competition for highly skilled and competent persons at various levels in the labour market, companies seek to attract new employees or to retain competent ones through the provision of various benefits.

The third consideration has to do with the growing competition for highly skilled and competent persons at various levels in the labour market. Companies seek to attract new employees or to retain competent ones through the provision of various benefits.

The following paragraphs outline some of the initiatives being taken to alleviate the housing problems of employees.

**At least fifty of the ninety companies I canvassed in 1990 have either given thought to this initiative, have actively engaged expert advice on it, or have implemented some mortgage programme indexed to the pension fund.**

### Housing through Pension Schemes

Pension schemes emerged in Jamaica in the early post-war years. However, over the last decade or two they have attracted much interest. This interest in pension schemes has centered around attempts to determine the type of benefits which the worker could obtain prior to retirement. In other words, the worker would rather have "now" benefits from his pension fund than those that come at retirement. The feeling has been that the pension fund can be put to work to satisfy immediate and/or medium term needs. Mortgage loans for home purchase have been proposed as one way the pension fund could assist in meeting this challenge.

Many employers, some en-

### Mortgage Fund/Pool

Another initiative taken by some employers, and which is growing, is that of establishing a pool of funds for mortgage purposes. This pool works differently from company to company. In some cases, an initial sum is lodged to the fund by the company and is increased annually by a certain percentage, depending on the company's rate of profit. In others, only the initial sum is provided by the company. This fund is invested prudently.

In addition to the company's installment, employees are also required to contribute to the fund. They can contribute in one of two ways. Firstly, they can elect, as a group, to contribute on a regular basis, via salary deductions or otherwise. Secondly, they can contribute, upon qualifying for a mortgage loan from the base amount, by matching this loan with their own funds, proportionately or in full, depending on the funding agreement.

Loans are made on a revolving basis. This requires the employee to repay his loan regularly so that others can access the facility.

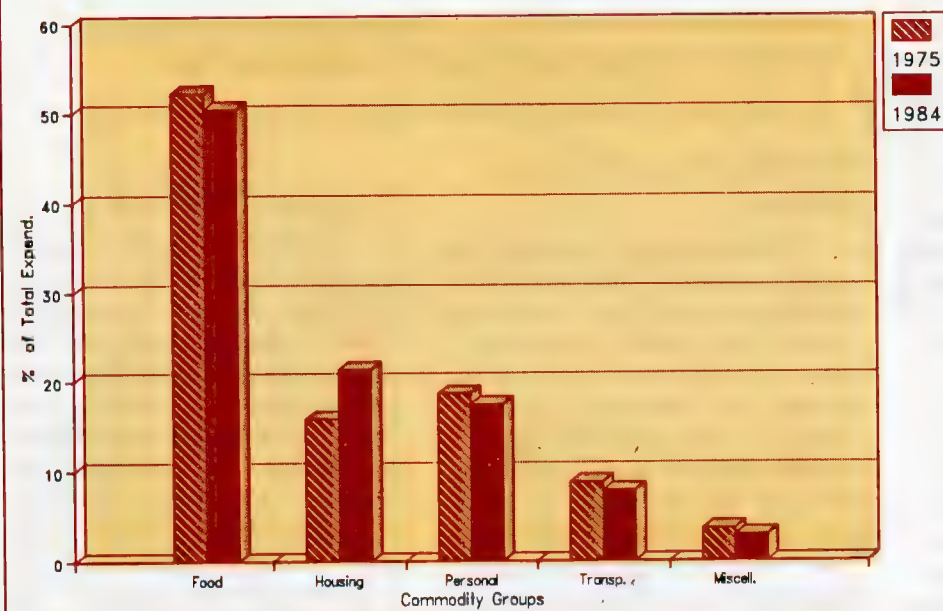
### Fund Mixing

Because individual pension funds or pool funds are not sufficient to provide mortgages for all their members or in required amounts, a number of portfolio fund-mixing schemes have been negotiated and are being negotiated. For instance, the local Building Societies, some Credit Unions, some Life Insurance

couraged by trades unions, have turned attention to using the pool of pension funds to assist in finding housing solutions for their employees. At least fifty of the ninety companies I canvassed in 1990 have either given thought to this initiative, have actively engaged expert advice on it, or have implemented some mortgage programme indexed to the pension fund.



Avg Household Commodity Expenditure  
Jamaica, 1975 and 1984



The growth in housing expenditure in relation to other household items is graphically demonstrated in this Illustration (I). In fact, housing and other household supplies are the only household expenditure category which has increased in 1984 over 1975. All other items declined in 1984, presumably to satisfy the increases in housing and related expenditure.

companies and the National Housing Trust, have agreed to participate with employers in mixing funds to provide cheaper mortgage loans for their employees, members or beneficiaries, as the case might be. Such initiatives have attracted a lot of interest. A number of such mixes have already been negotiated.

### Straight Mortgage Loans

In recent years, some companies have been offering mortgage loans to their staff at concessionary rates of interest, provided they meet the basic requirements of length of service, ability to repay and selection. This is particularly evident in the financial services, banks and insurance companies. However, a few manufacturing companies have joined the act and are offering mortgage loans to their staff too. There is no requirement for the employee to match this loan as a precondition for qualifying.

### Mortgage Grants

At least one company in the manufacturing sector, of which I am

aware, grants a fixed sum to its employees to assist in home ownership. This grant is provided in conjunction with a loan of equal amount at no interest. The only requirement is that the employee identifies the house and initiates its purchase.

to the extent that these housing initiatives become sufficiently widespread, they will then become normal expectations of the workforce.

### Implications

There are two main consequences of these housing initiatives. The first is that employees, who in the main have fixed incomes from which they are expected to house and care for themselves and their dependents, will come to depend more on their employers or, rather, their income source, to assist them in realising a primary objective, their own home. To this end, we are likely to see many more housing initiatives in which the company will be playing a great part.

Secondly, to the extent that these housing initiatives become suf-

ficiently widespread, they will then become normal expectations of the workforce. This will be so notwithstanding the fact that they will not necessarily be entrenched in collective labour agreements.

There are two positive implications likely for the employer of the housing initiatives described. Firstly, there is every reason to believe that with a real hope of owning a home through one's job, or having already done so, the employee is likely to be more personally satisfied and therefore even more committed to the job.

Secondly, the initiatives are likely to add to the stability of the employment relationship, since by virtue of indebtedness to the company, the employee is likely to have a longer tenure of work there.

### Conclusion

The many housing initiatives described above are welcome. They are going to change the structure of compensation, to the extent that companies continue to attract scarce skills by offering housing benefits as part of the earnings package. To date, however, these initiatives have not been enough to solve the acute shortage and high cost of homes. Perhaps a more concerted effort ought to be taken. Employers, employees, Trades Unions and Government should meet on the issue. The exchange of ideas and perspectives could prove fruitful. Who will take the initiative? The trades unions perhaps? ■

### References

- Statistical Institute of Jamaica  
(1984) *Household Expenditure Survey Volume 1*
- Planning Institute of Jamaica  
(1990) *Five Year Development Plan*
- Building Societies Association of Jamaica (1990) *Housing and Finance*, Dec. 1990.

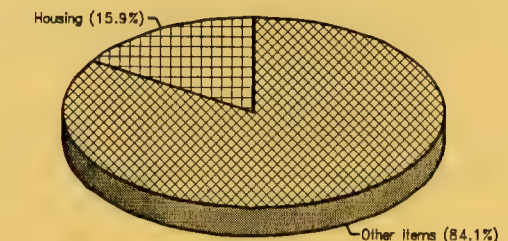
Financial  
Systems  
• Analysis  
• Implementation  
Executive  
Information  
Systems

Gary Patterson, MBA, MS/MIS

Executive Decision  
Consulting Ltd

Unit 12  
5 Kingsway Ave.,  
Kingston 10, Jamaica  
Tel: (809) 926-2816

Avg Household Commodity Expenditure  
Jamaica, 1975



This Illustration (II) shows housing and related expenditure accounting for 15.9% of total commodity expenditure in 1975.

Avg Household Commodity Expenditure  
Jamaica, 1984

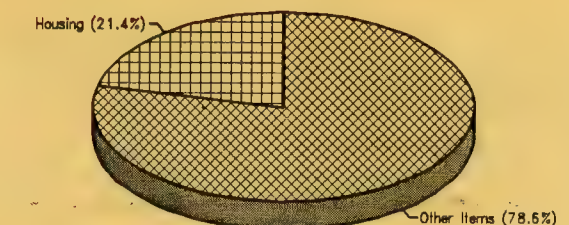


Illustration III shows that housing and related expenses as a proportion of total household expenditure summary jumped to 21.4% in 1984.



# Inks & Paints Jamaica Ltd. Jamaica Screen Printing Ltd.

45 South Camp Road,  
Kingston 4,  
Jamaica W.I. 92-81939, 92-84259  
Fax: (809)92-84259

## "Inks & Paints" TEXTILE INKS

STANDARD AND OPAQUE WATER BASE TEXTILE INKS — AQUA PUFF (WATER BASE) SCREEN PRINT INKS  
SCREEN PRINT PLASTISOL (OIL BASE) TEXTILE INKS — ARTIST (WATER BASE) HAND PAINT TEXTILE INKS  
— ARTIST AIR BRUSH (WATER BASE) TEXTILE INKS

## SPECIALITY INK LINE

SCREEN PRINT (WATER BASE) POSTER INKS AND LITHOGRAPHIC INKS

NOTE: CUSTOM COLOURS ARE AVAILABLE IN ALL INK LINES

## JAMAICA SCREEN PRINTING LTD. offers :—

IPJ DESIGNER T-SHIRTS

CUSTOM DESIGN & CONTRACT T-SHIRT PRINTING

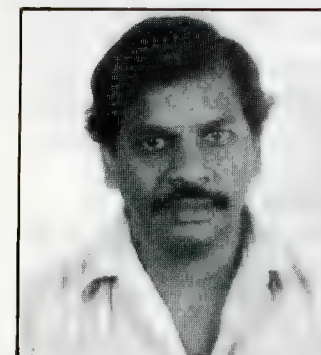
PRINTED BEACH TOWELS

FABRIC PRINTING (SPECIALIZING IN UNIFORMS & SCARVES)

PRINTING ON LEATHER, CANVAS & VINYL GOODS

WE LOOK FORWARD TO SERVING YOUR NEEDS.

# STRUCTURAL ADJUSTMENT IN GUYANA: The Human Impact



By Gobind Ganga

During the 1973-75 period the Guyanese economy enjoyed real growth of 7 percent per annum on an average. After 1975, the pace of economic activity slowed down markedly as a result of two recessions: the first from 1977 to 1979 and the second beginning in 1982 and continuing up to the present time. Between the two recessions, there was a period of recovery, characterized by a 3 percent annual average increase in the growth rate of GDP.

The two recessions are, in my view the result of a combination of external and internal factors. Externally the economy faced deteriorating terms of trade and higher interest payments. The internal factors on the other hand included inappropriate adjustment measures such as demand restraint policies and devaluations.

*Dr. Ganga is a lecturer in the Department of Economics, UWI, Mona.*

Prior to 1977 the economic policies of the government were socialist in orientation. Private foreign investment was de-emphasized, while emphasis was placed on public ownership and control of vital economic sectors. Policies pursued then included nationalization, regulation of trade, regulation of prices and regulation of the financial sector. The state also took responsibility for health, nutrition, housing and education (which was provided free of charge from kindergarten to university level).

### IMF Policies

With the exception of those adopted during 1980-81 the economic policies of the Guyana government after 1977 were strictly

**Private foreign investment was de-emphasized, while emphasis was placed on public ownership and control of vital economic sectors.**

monetarist and highly aggregated in nature. The emphasis was now placed on alleviating perceived structural imbalances by adjusting overall economic demand to the low level of output of goods and services supplied by the economy.

Aside from those implemented between 1983 and 1987, almost all of the adjustment policies were initiated with IMF assistance. Between 1977 and 1982, Guyana initiated three adjustment programmes valued at 106.25m Special Drawing Rights (SDRs) with the IMF and a US\$22m structural adjustment loan with the World Bank

(Ganga, 1991). The current programme initiated with the IMF in 1988, provides US\$782 million for rescheduling of arrears on the foreign debt and US\$28 million for balance of payments support.

The adjustment measures comprised a combination of four sets of policies: (a) aggregate demand restraint; (b) devaluation and foreign exchange market adjustment; (c) liberalization of prices; (d) privatization.

For almost 12 years, demand restraining policies have been followed. In addition to a contractionary monetary policy, these were (i) measures to increase the government revenue intake (such as increases in taxation and improvement in tax collection management), (ii)

expenditure reducing measures (such as retrenchments, reduction of real wages, reduced government spending on social services and social security, and the removal of subsidies), (iii) exchange controls and quantitative restrictions on imports.

During the same period, there were at least six major devaluations as the exchange rate was changed from G\$2.5 = US\$1 in 1980 to G\$10 = US\$1 in 1987 to G\$45 = US\$1 in 1990 and G\$120 = US\$1.00 in 1991. At the same time, the economy began to open up to the outside world with a divestment programme which initially excluded the sugar



and bauxite industries. New investment codes providing tax holidays, assurances for the repatriation of earnings and guarantees against nationalization were introduced. In 1989, the sugar and bauxite industries were included in the programme. In addition to these, the Government undertook a policy of liberalization. Price controls were eliminated; utility, inputs and fuel prices were adjusted to reflect changes in the exchange rate; and interest rates were adjusted upwards to reflect market rates.

The defenders of the adjustment policies have argued repeatedly that these policies will restructure the economy. It is argued that these policies will curtail demand and resource use, increase savings and investments, shift resources to the productive tradeable sectors, and increase overall efficiency and incentives for production. As a result, major imbalances will be eliminated as restructuring occurs across and within sectors thereby speeding up the adjustment process. It is also argued that the trickle-down from the increase in growth will improve the social welfare of broad sections of the population. Since these outcomes were not experienced in Guyana after almost twelve years of the same policies, an evaluation is justified.

The following, then, is an analysis of the impact of structural adjustment on the poor, those employed in the formal sector, the unemployed and pensioners in Guyana. Collectively these are referred to as the vulnerable groups.

### An Assessment

The overall impact of structural adjustment policies in Guyana can best be analysed by focussing separately on the indirect and the direct impacts. Indirectly, structural adjustment policies affect macroeconomic variables such as growth, employment and income; these in turn feed-back on the

economic system, altering socioeconomic welfare one way or another. The direct effects emerge from measures such as price increases, cuts in subsidies and reduced social security and social service provisions.

It is obvious that anything which negatively affects economic growth, employment and income distribution, is also likely to have a negative impact on the welfare of the poor. The evidence in Guyana suggests that the impact of prevailing adjustment policies has tended to be predominantly recessionary (Ganga, 1988, 1990, 1991).

**It is obvious that anything which negatively affects economic growth, employment and income distribution, is also likely to have a negative impact on the welfare of the poor.**

Real GDP showed a declining or stagnant rate of growth for all years, except for the 1980-1981 period when there was a marginal improvement. The latter reflects increases in imports, more external funding from the World Bank and IMF, and the adoption of less demand-restraining policies (Ganga, 1991). After a sharp decline of 11.4 percent in 1982, GDP remained mostly stagnant through to 1987. After 1987, there were further declines averaging 4 percent per year in the 1988-1990 period.

The results of the recessionary bias of the prevailing adjustment policies have been increased unemployment, regressive distribution of the burden of adjustment and increased poverty. Estimates indicate that the unemployment rate increased from 20 percent in 1977 to 35 percent in 1985. The problem of unemployment was compounded by significant declines in real per capita income and average wages. The data indicate that following the introduction of the programme, real per capita GDP steadily declined from G\$1587 in 1977 to G\$1233 in

1989 or at an annual average rate of 12 percent during the 1977-1989 period.

In the face of declining production and government wage guidelines, as part of IMF's conditionality, real average formal sector wages also declined steadily by some 54 percent or from G\$53.8 per week in 1977 to G\$25.0 per week in 1989.

The wage policy, is highly regressive for those active in the formal sector. The non-active population has fared no better as data on real government transfer payments

reveals a regressive trend. Specifically, expenditure on pensions and public assistance declined from G\$9.5m in 1977 to an annual average of G\$5.0m during the 1980-1987 period. In 1985, the total payment amounted to only G\$3.9m. In 1989, the government made provision for an emergency Social Impact Amelioration Programme (SIMAP) valued US\$2m, which was to be financed externally, to supplement the incomes of the non-active population and to provide food supplements to women and children of low income families. Up to the end of 1990, however, the programme had still not become operational.

The burden of increasing food prices has also tended to fall more heavily on the vulnerable groups. During the 1977-1989 period, for example, the average annual increase in food prices was 26.5 percent. This was 5 percent more than the average annual increase in the overall rate of inflation. Given the fact that the poor are net food buyers, higher prices with lower income directly translate into further hardship.

The tax policies introduced by



From feasibility stage right through project financing and beyond – you can benefit from the combined resources of the Eagle Financial Network. Eagle is the only fully integrated institution which can provide every link in the chain of financial services you require. Strength through Financial Integration. That's Eagle for you.

## The Eagle Financial Network

**FOR FURTHER INFORMATION, CONTACT THE EAGLE FINANCIAL NETWORK,  
24-26 GRENADA CRES., 5, JAMAICA. TEL: 929-3017-8**



the Government have focussed more on indirect taxation (value added tax) and less on direct taxation. The data shows that Government indirect taxes as a percentage of current revenues increased from 42.2 percent in 1980 to 55.3 percent in 1989. On the other hand Central Government direct taxes as a percentage of current revenues decreased from 43.9 percent in 1980 to 34.1 percent in 1989. Given the nature of value added taxes (which shift taxation from income to consumption), it seems obvious that the regressiveness in the distribution of income has been compounded by the burden of the indirect taxes.

The declining economic conditions caused by the prevailing adjustment policies have reduced the real income of the poor, as well as other households, caused a deterioration in the distribution of income and in general increased dramatically the incidence of poverty. Evidence of the deplorable situation was outlined in studies by the U.S. State

1980 real health expenditure stood at G\$27m. By 1987 it had fallen to G\$15.5m at an annual average rate of 7 percent. Real per capita expenditure declined from G\$30.7 during the 1970-1980 period to G\$24.2 during the 1980-1987 period. This has resulted in general deterioration in health conditions as evidenced by (a) a decline in the number of physicians from 145 in 1970 to 125 in 1984, (b) a decline in the number of medical assistants from 1,850 in 1980 to 887 in 1984 (U.N., 1989b); (c) a reduction in the availability of health supplies such as hospital beds, basic drugs and equipment; and (d) a consequent increased incidence of communicable diseases such as tuberculosis, and malaria (GHRA, 1984; PPP Report, 1985).

#### Availability of Food

The health status in Guyana also seems to be closely associated with declining food availability. After 1981, the Government, in an effort to

third of then existing demand (Mirror, 1.4.84). The availability of black eye peas (which was supposed to have substituted for imported split peas, widely used in Guyana) was only 1.3 grams per capita per day as opposed to the 23 grams per capita per day of split peas in 1981 (PPP, 1984:24). Per capita meat production declined from 19 kilograms in 1981 to 10 kilograms in 1983 and further to an annual average of 4 kilograms during the 1985-1990 period.

#### Nutrition and Health

The related problems of high prices, declining food supply and the removal of subsidies have severely compromised the nutritional status of vulnerable groups. The results are manifested in low birth weight, still births, malnutrition in children under five years of age, higher infant mortality rates, higher death rates and lower life expectancy at birth.

A brief summary of the voluminous statistics on this decline will serve to make the point.

- Infant mortality which stood at 30 per thousand during 1975-1980 rose to 33.6 in 1984 and 47 in 1988 (Collymore, 1990) and United Nations (1988, 1989).
- Malnutrition and gastroenteritis account for approximately 40 per cent of deaths during the 1980's (Collymore, 1990:21; McIntosh and Anthony, 1988:38).
- Data provided by the Caribbean Food and Nutrition Institute shows that while in 1971 32 percent of all children in Guyana suffered from 'A' grade malnutrition, that figure rose to 72 percent in 1983 (PPP, 1984:15).
- Statistics show the death rate per thousand which stood at 6.7 during the

save foreign exchange, banned a number of imported food items including wheat flour, split peas, cheese, and milk. As a result, food imports fell to less than a quarter of the 1981 value of US\$4m. The shortage of imported food was compounded by a decrease in domestic production.

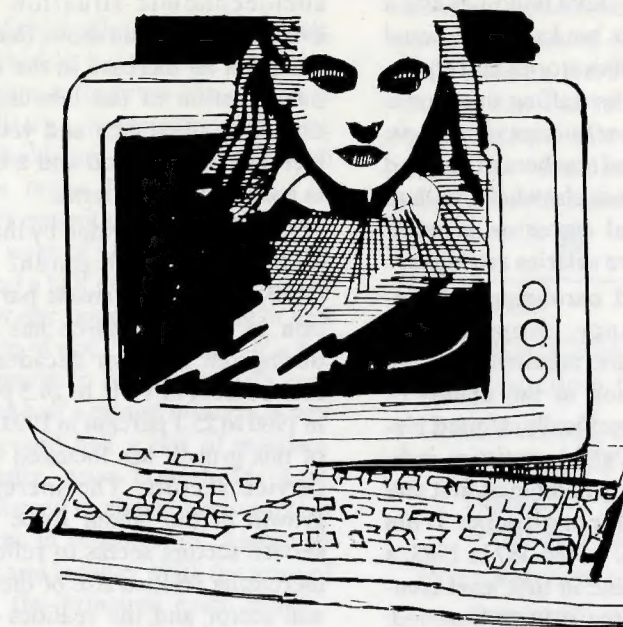
With the exception of rice, starchy fruits, roots and tubers, food production has been on the decline. The index of per capita food production provided by the United Nations (1989b) indicates a 41 percent decline between 1980 and 1989. This is graphically supported by the trend in the output of certain domestic staples such as milk, black eye peas and meat. Milk production during the 1980-1983 period was only one

#### The tax policies introduced by the Government have focussed more on indirect taxation (value added tax) and less on direct taxation.

Department and the Trade Union Congress (TUC). As early as 1981, the U.S. State Department concluded that, "more than 50 percent of the Guyanese people live in conditions of poverty with extremely low income and high unemployment" (Catholic Standard, Oct. 5, 1981). The Guyana Trade Union Congress (TUC) wage survey in 1985, concluded that 93 percent of the workforce received incomes below the poverty line set by the TUC (PPP, 1987).

Poverty, however, is not only reflected in declining income but is associated with deterioration in the provision of basic services in health, nutrition, housing and education. On the other hand there has been an increase in defence expenditure. In

*We are the Office Personnel People*



SECRETARIES  
STENOGRAPHERS  
CLERK-TYPISTS  
RECEPTIONISTS  
ACCOUNTANTS  
ADMINISTRATORS  
SALES PERSONNEL  
COMPUTER PERSONNEL  
TELEPHONE OPERATORS

*If you are recruiting  
or looking for permanent  
or temporary assignments  
the place to call is:*

DOT

**Personnel**

SERVICES(JAMAICA)LTD

Spanish Court, 1 St. Lucia Ave., Kingston 10.  
Telephone: 92-67893, 92-68991.

"Better Personnel - Better Business"

# 1st in Creative Insurance

**NOBODY COVERS YOU IN  
SO MANY WAYS**

**STRONG AND DEPENDABLE**

**Alico** Jamaica  
AMERICAN LIFE INSURANCE COMPANY

ADMINISTRATION 40 Knutsford Blvd. 926-1422, 929-6177-8, 926-2523/929-6673-PVT.

**Alico...Service is our Best Product.**



1975-1980 period, increased to 7.6 in 1984, to 8.0 in 1988. Life expectancy at birth which stood at 67 years during the 1975-1980 period, declined to 65.1 years in 1984, to 63 years in 1988 (U.N., 1988, 1989; Collymore, 1990).

## Housing

The health status and general welfare of poor households have also been severely aggravated by inadequate housing and related infrastructure such as water facilities and disposal of sewage and solid waste. Since 1981, there has been virtually no allocation of Government expenditure to housing. The 1972-1976 development plan had promised 65,000 units, but up to the end of 1976, only 7,000 units had been built. With no significant increase in construction by the private sector, there has been a shortage of rental units which has led to overcrowding and higher rentals. The problems have been further intensified by the inability to carry out repairs because of the scarcity and astronomical prices for materials. As a result, slums are common in all major cities and in rural areas (Janet Jagan, 1982; Collymore, 1984:26).

## Education

There have been severe cut-backs in educational spending since 1980. This has dealt a devastating blow to educational services because virtually all the educational institutions are completely funded by the state. Real educational expenditure fell sharply from G\$61m in 1980 to G\$20m in 1987 or at an annual average rate of 10 percent during the 1981-1987 period. Real per capita educational expenditure declined from G\$52.4 during the 1970-1980 period to G\$31.3 during the 1981-1987 period.

The results of the reduced expenditure have been understaffed and overcrowded schools,

deteriorating school buildings and a scarcity of text books, audio-visual aids, science laboratories and equipment. The understaffing situation is attributed to low salaries which have caused qualified teachers to quit and seek employment elsewhere, such as in the informal sector or in other countries where salaries are higher.

Decreased enrollment and increased truancy, dropouts and failure rates are manifestations of the deterioration in the quality of education. Specifically, United Nations (1989, 1989b) statistics indicate: a decline in combined first and second level enrollment from 206,167 in 1980 to 186,387 in 1983; a 7 percent decline in first level completion during the 1970-1980 period; and a 0.2 percent increase in the illiteracy rate of the younger age group. In addition, the evidence shows that the achievements of Guyanese children in the Caribbean wide (CXC) examinations has been the worst in the region (Spinner, 1984).

Concurrent with the declining school achievements and increasing

socioeconomic situation. The evidence in Guyana shows that there has been an increase in the rate of participation in the labour force, especially of women and youth, an increase in migration and a change in consumption patterns.

Estimates provided by the Inter American Development Bank (IDB), show that female participation in the work force has grown during the last two decades from 20.5 percent in 1970, to 24.5 percent in 1980 to 25.1 percent in 1990. Most of this growth has focussed on the service sectors. The increase in growth of the labour force in the service sectors seems to reflect the increasing relative size of the informal sector and the realities of the movement of labour away from formal sector activities with low remuneration, such as teaching.

Further, declining real households income seems to have caused an increase in the participation of children and youth in the labour force. Specifically, the activity rate of age group 14-19 years increased from 7 percent in 1970 to

**Poverty, however, is not only reflected in declining income but is associated with deterioration in the provision of basic services in health, nutrition, housing and education.**

dropout rates is an increase in juvenile delinquency. Government statistics indicate that annual average convictions of youths under 16 years of age increased two and a quarter fold during the 1980-1988 period from the 1977 total of 78 convictions. In 1985, convictions of the age group 16-21 years was 719, more than double the 1980 total of 330.

## Coping Strategies

Under conditions of protracted economic decline, households, and in particular those of the vulnerable groups, have in various ways developed means to cope and/or attempt to maintain their

42 percent in 1980 and then declined to 32.2 percent in 1987 (U.N., 1989).

Combined with the increase in labour force participation is an increase in household members migrating in search of work abroad. Whereas during the 1960s and 1970s official emigration averaged below 5,000 annually, during the 1980's, the total increased steadily to 14,000 in 1989. Unofficially, during the 1980's and the early 1990s, many more thousands of Guyanese have been fleeing the country using illegal methods, paying as much as US\$10,000 to visa racketeers and crime gangs to get out of Guyana and into North America (Collymore,

1990).

With declining income levels, households have been adopting strategies to improve the efficiency of existing resources. Firstly, households are forced to purchase goods more frequently and in smaller quantities. The current minimum wage of G\$64.56 can only buy two and a half pounds of sugar or six eggs or one pound of chicken or half a gallon of rice. As a result, it is not uncommon to find consumers purchasing half a pound of sugar, a pint of rice and half a box of matches. Secondly, poor households have been forced to change consumption patterns in response to changes in prices and income. With the price of rice - the principal basic staple - being astronomically high, poorer households have been forced to consume poorer quality rice (stock-feed quality), the price of which is about a third less (Mirror 17.3.91). There has also undoubtedly been a reduction in expenditure on other basic items such as milk, fish, meat, and eggs.

Generally, the evidence strongly suggests that the structural adjustment policies have contributed to the widespread poverty experienced in Guyana through increased unemployment, declining real wages and transfer payments, and declining real per capita social expenditure. The ill-effects do not only seem to affect the sustainability of the

**The evidence in Guyana shows that there has been an increase in the rate of participation in the labour force, especially of women and youth, an increase in migration and a change in consumption patterns.**

present generation but the future as well. Declining health and educational achievements undoubtedly will compound the dismal nutritional and life expectancy statistics and hence the ability to restore growth and sustain provisions to protect the basic human needs. Since there has been virtually no change in the

economic conditions or change in general orientation of economic and social policies, there are indications that the worst is yet to come. It is therefore imperative that alternative policies be instituted promptly to protect basic human needs and foster growth. ■

## References

- CATHOLIC STANDARD. Georgetown, Guyana.
- COLLYMORE, C., (1984). *Bitter Sugar and the Working People*. Georgetown: New Guyana Co. Ltd.
- COLLYMORE, C., (1990). *A Quarter Century of Failure*. Georgetown: New Guyana Co. Ltd.
- GANGA, G.N., (1988). *Stabilization Policies in Guyana, 1977-1985*. Unpublished Ph.D. Thesis. University of Manitoba.
- GANGA, G.N., (1990). "A Macro Economic Model of the Guyanese Economy," *Social and Economic Studies*. Vol. 39, No. 3, pp. 1-38.
- GANGA, G.N., (1991). "Crisis without Restructuring: The Case of Guyana, 1977-1990". Paper presented at ISER Seminar, Mona; presented at CEA Conference in Dominica Republic, July, 1991.
- GHRA, (1983-1986). *Guyana Human Rights Reports*. Georgetown, Guyana.
- IDB, (1990). *Economic and Social Progress in Latin America*. Washington, D.C.: Johns Hopkins Univ. Press.
- McINTOSH, C. E. and ANTHONY, S.P., (1988). *An Analysis of the Food and Nutritional situation in the Cooperative Republic of Guyana*. Caribbean Food and Nutrition Institute: Jamaica.
- MIRROR. Georgetown, Guyana.
- PPP, (1987). *Thunder*. Vol. 19, No. 2. Georgetown: New Guyana Co. Ltd.
- PPP, (1985). *National Unity for Democracy, Peace and Social Progress: Report to the Central Committee to the 22nd Congress of the PPP*. Georgetown.
- PPP, (1984). *The Food Crisis in Guyana*. Georgetown: New Guyana Co. Ltd.
- SPINNER, T.J. Jr. (1984). *A Political and Social History of Guyana, 1945-1983*. Colorado: Westview Replica.
- UNITED NATIONS (1988), *World Population Prospects 1988* New York: United Nations.
- UNITED NATIONS, (1989). *Compendium of Statistics and Indicators on the Situation of Women 1986*. New York: United Nations.
- UNITED NATIONS, (1989b). *Statistical Yearbook of Latin America and the Caribbean, 1988 edition*. Chile: United Nations.



## BOOK REVIEW

### Commercial Arbitration in Jamaica

by Maurice Stoppi  
Heinemann,  
107 pages.

It is not often that a book relevant to industrial relations appears in the Caribbean. If for no other reason Maurice Stoppi's book on *Commercial Arbitration* is welcome.

The book is quite a modest effort amounting to 107 pages in total, about half of which consists of appendices. It is however a clear and simple exposition of the essentials of arbitration. As the author indicates in his preface, it is based on many years of experience of settling arbitration disputes in Jamaica's construction. As such the examples used by the author are drawn from that industry. The book however is based on the Jamaican Arbitration Act of 1900 and as such has general applicability to all types of disputes including industrial disputes.

The roughly fifty pages of text in the book comprises of nine chapters. The tone is set by the introduction which provides a definition of arbitration, distinguishing between it and two other approaches to dispute settlement, *conciliation* and *mediation*. Stoppi then outlines the basic reason for arbitration and outlines the advantage that arbitration offers over other forms of litigation. Chapter one presents a brief outline of the arbitration law itself. The discussion treats only the most elementary aspects of the law, but that Act itself is included as an appendix for those who wish additional detail. Chapter two then introduces the reader to a

typical arbitration clause. And subsequent chapters deal with the entire process of arbitration, from the appointment of an arbitrator, through the definition of the scope of the arbitration agreement, step by step until the award is handed down.

As I have noted the book can be a useful guide to arbitration in labour matters. Its relevance in this respect, however, depends on the extent of reliance on private arbitration as a means of settling industrial disputes in particular situations. In countries where there is exclusive or primarily reliance on private arbitration as a means of settling industrial disputes the book obviously has a great deal of usefulness. On the other hand arbitration countries like Jamaica and Trinidad and Tobago where statutory mechanism have been established. Private arbitration has become far less popular. In Jamaica for example, most arbitration is carried out through the Industrial Disputes Tribunal. However, in exceptional circumstances however the parties to a collective labour agreement specify that any dispute emerging between them must be subject to arbitration. In such cases Mr. Stoppi's book becomes particularly useful. For persons in training for the construction trades or for virtually any other type of business activity the book provides an extremely useful elementary text.

Noel M. Cowell



**MERCURY**  
INFORMATION SYSTEMS LIMITED

3 BROMTON ROAD, KINGSTON 5,  
JAMAICA, W.I.

TEL: 9277220-1

*Best Wishes to*  
**THE CARIBBEAN  
LABOUR JOURNAL**  
AN IMPORTANT  
NEW REGIONAL PUBLICATION

*B.L. Williams*  
*International Ltd.*  
IMPORTERS & EXPORTERS

37 SECOND STREET,  
NEWPORT WEST,  
P.O. BOX 176,  
KINGSTON, JAMAICA, W.I.

PHONE:  
(809) 923-8578, 923-8579  
CABLES "BERTS"

# QUALITY STANDARDS

...How do they influence people?

Marcus Garvey Resource Library  
Jamaican Canadian Association  
995 Arrow Road  
Toronto, ON M9M 2Z5  
416.746.5772

Quality is an individual commitment... in family life... in community responsibility... in education... in work... in service... in production... it is the driving force that motivates people to strive to reach... to stay at the top... to have positive attitudes towards improving... to reach a high standard of living... Berger believes in quality... in manufacturing paints that meet the highest standards demanded by consumers... quality you can trust... quality without compromise...



# = QUALITY

... Quality makes us No. 1... Quality sets us apart...

## BERGER PAINTS

...For Lasting Beauty and Protection



# We help your organisation make the right moves.

- **Market Research**

- **Training Need Surveys**

- **Training and Development**

- **Manpower Research & Planning**

- **Recruitment**

- **Conflict Resolution Management**

- **Labour Statistics**

- **Benefits and Compensation Surveys**

- **Health Care Cost Management**

- **Retirement Planning**

- **Productivity Programmes**

- **Industrial Health & Safety Programmes**

- **Employee Orientation Programmes**

- **Employee Attitude Surveys**

Innovative, yet realistic approaches to a broad spectrum of human resource management and business communication challenges with the focus on organisational development.

- **Performance Appraisal Systems**

- **Internal/External Communication Audits**

- **Communication Strategies**

- **Organisational Culture Studies**



**LABCOM**  
(INTERNATIONAL) LTD.



LABOUR RELATIONS MANPOWER RESEARCH COMMUNICATION • PUBLISHERS OF THE CARIBBEAN LABOUR JOURNAL  
72 HOPE ROAD, KINGSTON 6, JAMAICA, WEST INDIES • TELEPHONE: (809) 927-5191

WE SERVE THE CARIBBEAN